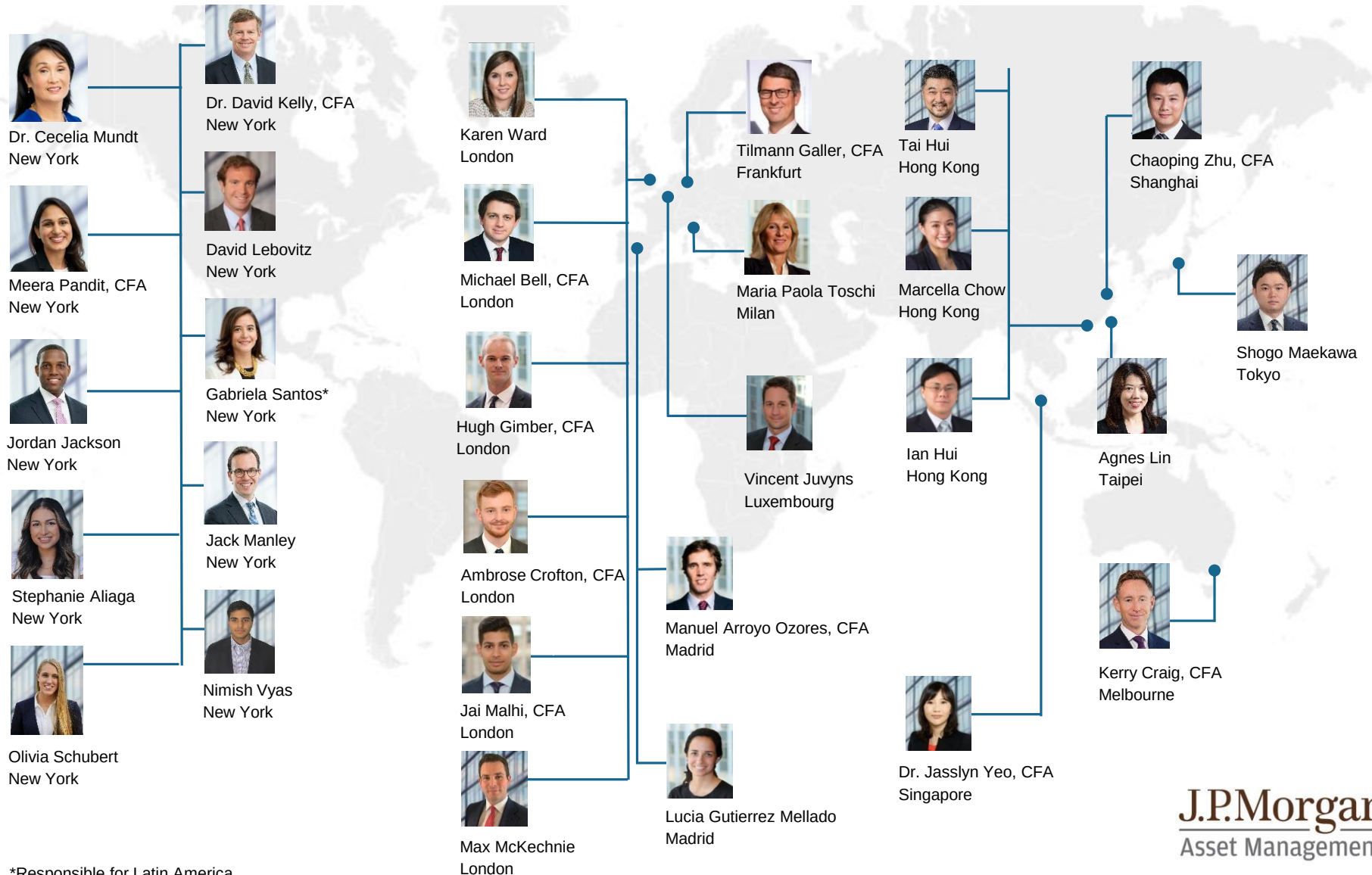


Guide to the Markets®

Latin America | 3Q 2021 | As of June 30, 2021

J.P. Morgan



Latin America economy

4. Latin America: Economic growth, inflation and real rates
5. Latin America: Composition of economic growth
6. Latin America: Impacts of COVID-19
7. Latin America structural drags
8. Brazil: Economic snapshot
9. Brazil: Inflation and monetary policy
10. Brazil: Consumer and business dynamics
11. Brazil: Fiscal policy
12. Mexico: Economic snapshot
13. Mexico: Inflation and monetary policy
14. Mexico: Consumer and business dynamics
15. Mexico: Fiscal dynamics
16. Argentina: Economic snapshot
17. Argentina: Inflation, monetary and fiscal policy
18. Colombia: Economic snapshot
19. Colombia: Inflation and monetary policy
20. Chile: Economic snapshot
21. Chile: Inflation and monetary policy
22. Peru: Economic snapshot
23. Peru: Inflation and monetary policy

Global economy

24. Global economic growth
25. Regional economic growth
26. Global economic activity momentum
27. Global inflation
28. Global monetary policy
29. Global fiscal support
30. Emissions targets and global energy mix
31. U.S.: Economic growth and the composition of GDP
32. U.S.: Inflation and unemployment
33. U.S. Long run inflation expectations
34. U.S.: The Fed and interest rates
35. U.S.: The Fed balance sheet
36. Japan: Abenomics and markets
37. China: Economic and policy snapshot
38. Chinese consumer
39. Chinese technological progress
40. Chinese equity and fixed income markets
41. Emerging markets

Fixed income

42. Latin America fixed income: Returns
43. Latin America fixed income: Valuations
44. Emerging market debt
45. Default protection prices
46. Attractiveness of Latin American local rates
47. Global fixed income: Return composition
48. Global fixed income: Valuations
49. Global fixed income: Yields and correlation to equities
50. Global fixed income: Interest rate risk
51. U.S. interest rates
52. U.S. debt dynamics
53. U.S. high yield bonds

Equities

54. Latin America equity returns
55. Latin America valuations and earnings
56. Latin America valuations and earnings by country
57. Emerging market equity indices
58. Emerging market equities
59. Global equity markets
60. Equity performance by sector, style, and geography
61. U.S. and international equities at inflection points
62. International equity earnings and valuations
63. International markets
64. U.S.: Corporate profits and sources of total return
65. U.S.: Value vs. growth
66. S&P 500: Index concentration, valuations and earnings
67. U.S.: Interest rates and equities
68. Annual returns and intra-year declines

Other asset classes

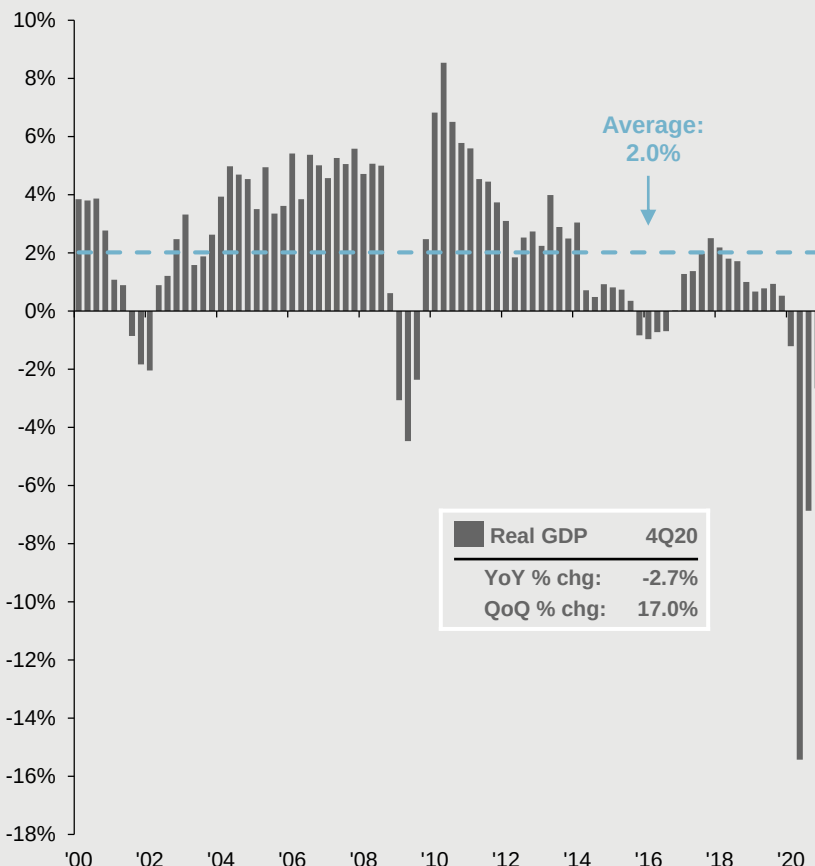
69. Commodities
70. Oil markets
71. Global currencies
72. Global alternatives
73. Alternatives and manager selection

Investing principles

74. Asset class returns
75. Life expectancy and pension shortfall
76. Local investing and global opportunities
77. Correlations and beta
78. Time, diversification and the volatility of returns
79. Market timing, diversification and the average investor

Real GDP

Year-over-year % change



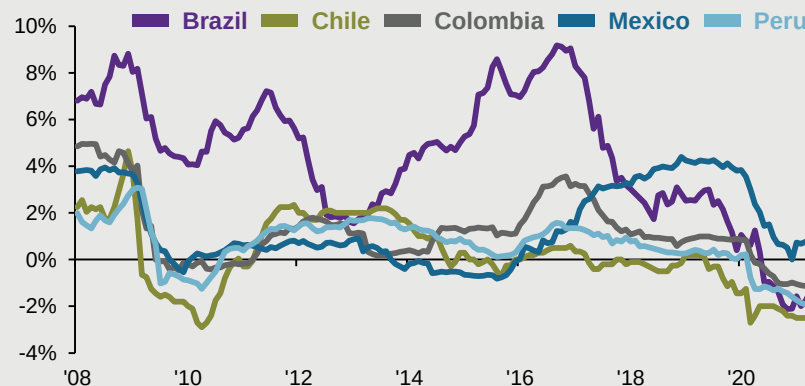
Inflation

Year-over-year % change



Real policy rates by country

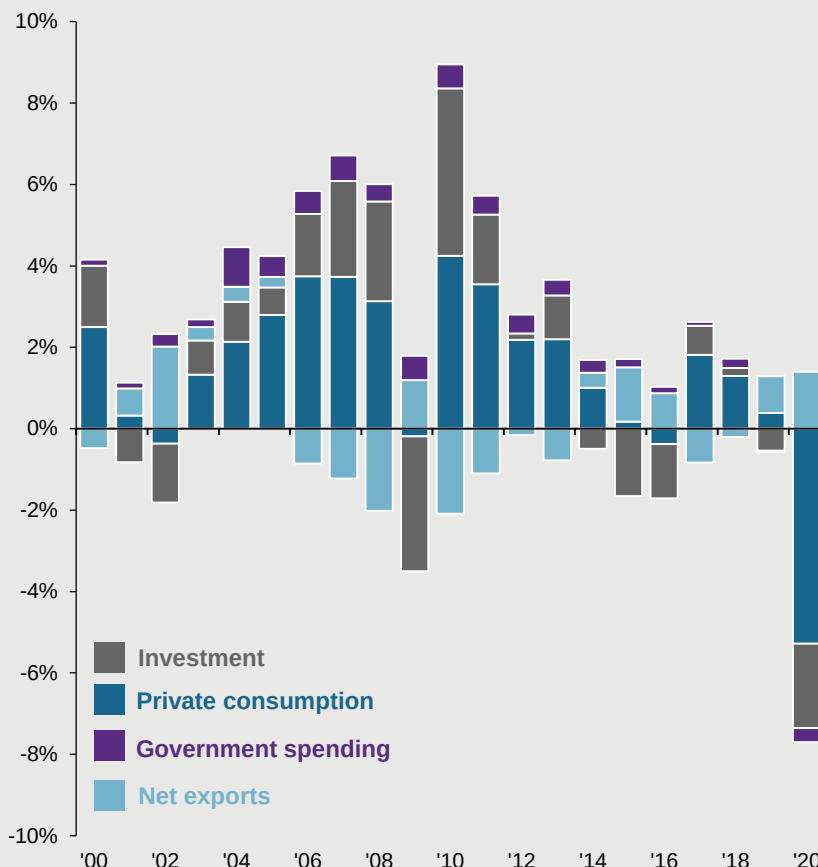
Nominal policy rate deflated by 12-month inflation expectations



Source: J.P. Morgan Global Economic Research, J.P. Morgan Asset Management; (Bottom right) Central Bank of Brazil, Central Bank of Chile, Central Bank of Colombia, Central Bank of Peru, Central Bank of Mexico.
Latin America aggregate GDP growth includes Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru and Uruguay. Inflation does not include Argentina, Ecuador or Venezuela. Inflation expectations are based on surveys conducted by each central bank.
Guide to the Markets – Latin America. Data are as of June 30, 2021.

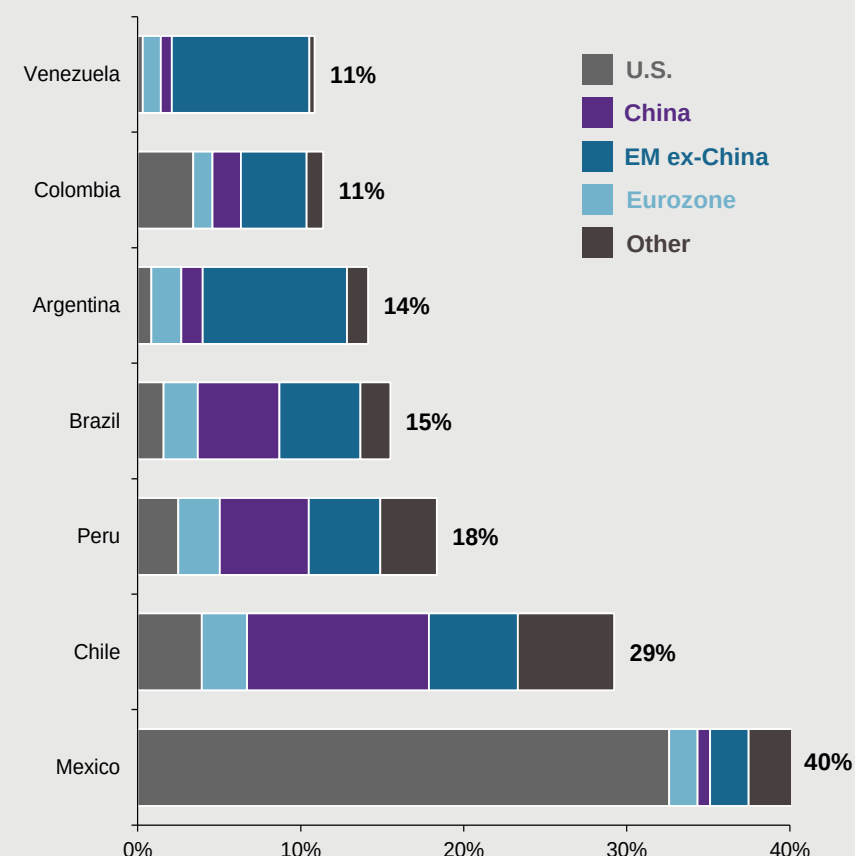
Real GDP growth

Contribution to growth, year-over-year % change



Exports

% of nominal GDP, USD terms, goods, 2020



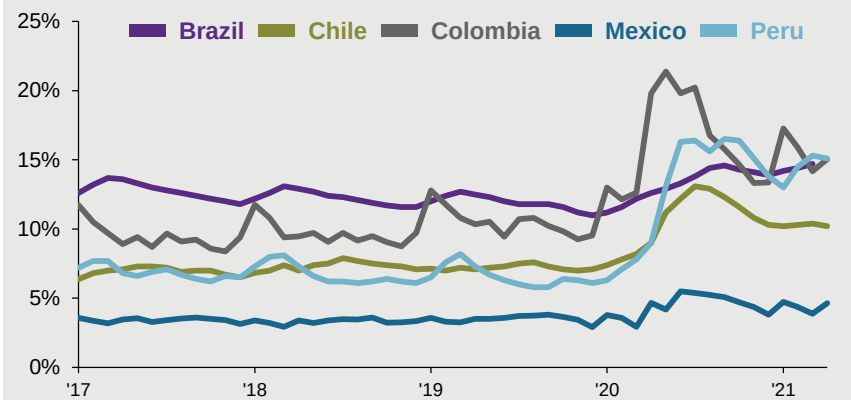
Source: IMF World Economic Outlook, J.P. Morgan Asset Management; (Left) Argentina Economy Ministry, BCE, BCRP, BCU, CBC, DANE, IBGE, INEGI; (Right) IMF Direction of Trade Statistics.

Latin America aggregate GDP includes Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru and Uruguay. Uruguay is excluded from 2000 to 2005 due to data availability.

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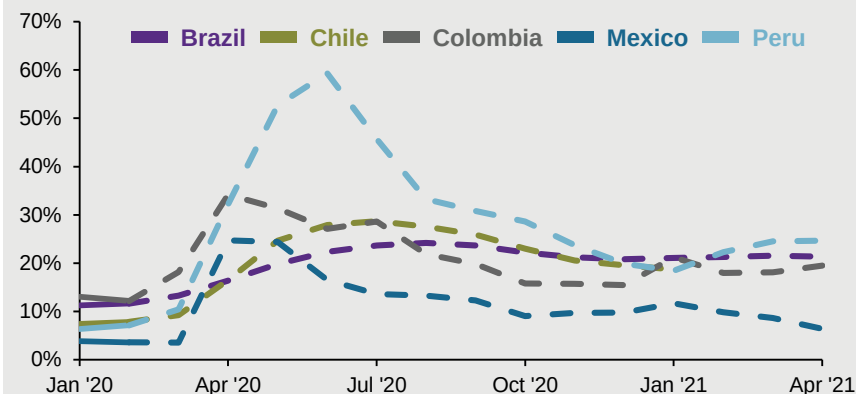
Official unemployment rates

Monthly, non-seasonally adjusted



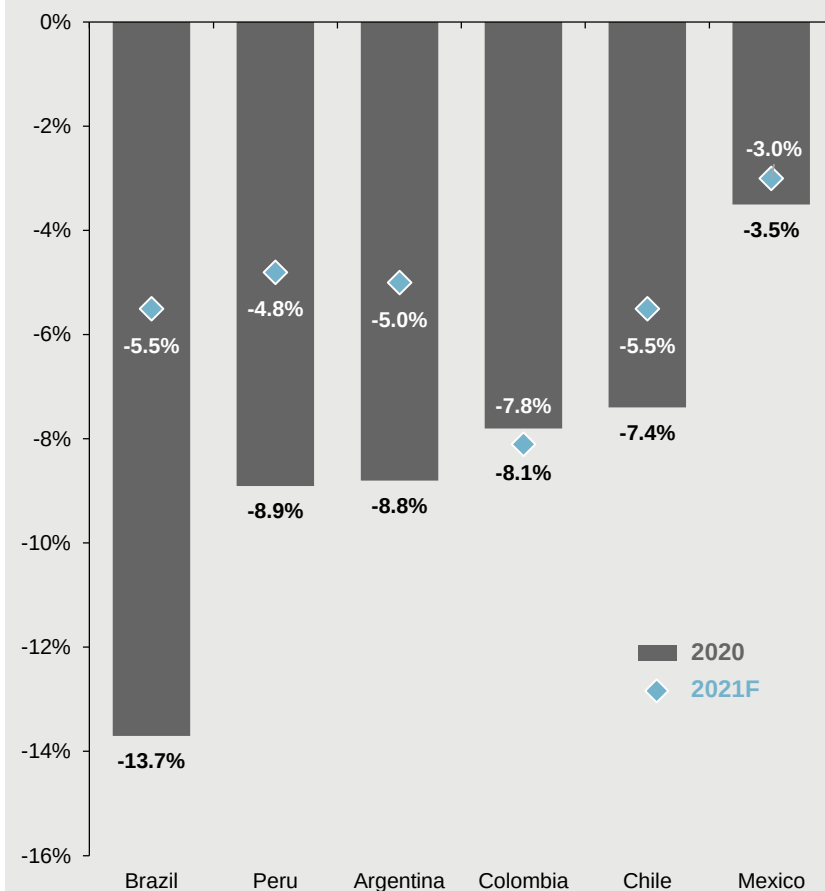
Shadow unemployment rates

Monthly, based on non-seasonally adjusted data



Fiscal deficit

Nominal deficit, % of GDP



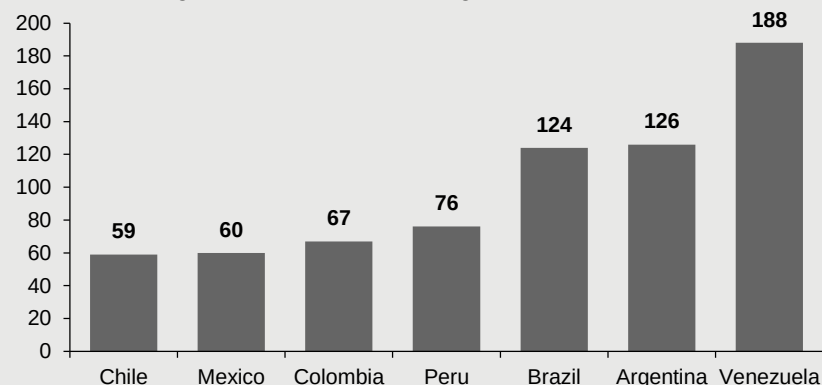
Source: Central Bank of Colombia, Central Reserve Bank of Peru, DANE (National Administration of Statistics), FactSet, INEGI (National Institute of Statistics and Geography of Mexico), J.P. Morgan Asset Management; (Top and bottom left) IBGE, INE; (Right) Central Bank of Brazil, Central Bank of Chile, Central Bank of Mexico, IMF, INDEC (National Institute of Statistics and Census of Argentina), Ministry of Economy of Argentina, J.P. Morgan Global Economic Research.

Fiscal deficit 2021 forecasts are from J.P. Morgan Global Economic Research. Shadow unemployment rates are calculated based on the assumption that participation rate is kept constant since February 2020.

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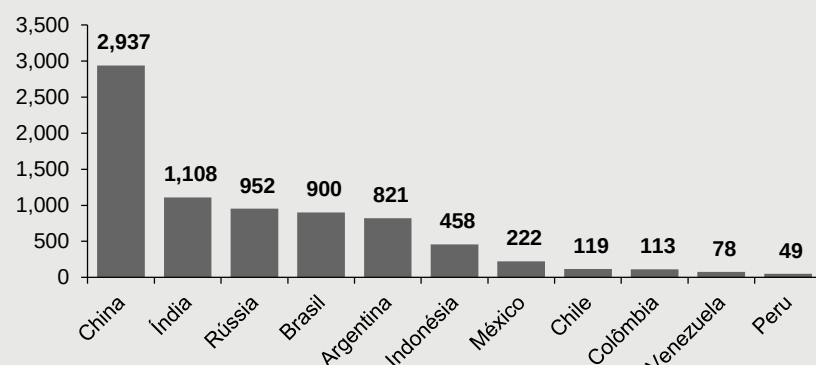
Ease of doing business ranking

Overall ranking, 1 = most ease of doing business, 2019



Protectionist trade measures*

Number of measures implemented, 2009 - 2020

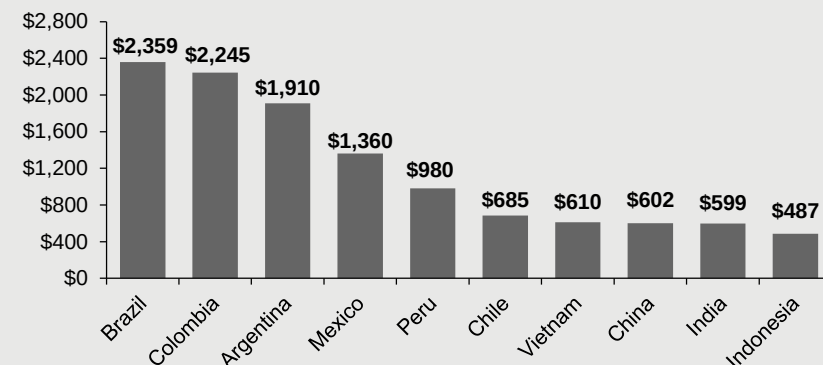


Selected competitiveness indicators: 2019

Indicator	LATAM	OECD High Income
Ease of doing business (rank, 1-189)	116	30
Days to register a new business	29	9
Days to deal with construction permits	191	152
Days to resolve a dispute	774	590
Recovery rate from insolvent firm (cents)	31	70
Number of hours spent preparing taxes	317	159
Total tax rate (% profit)	47	40

Cost to export goods

USD per container, 2019



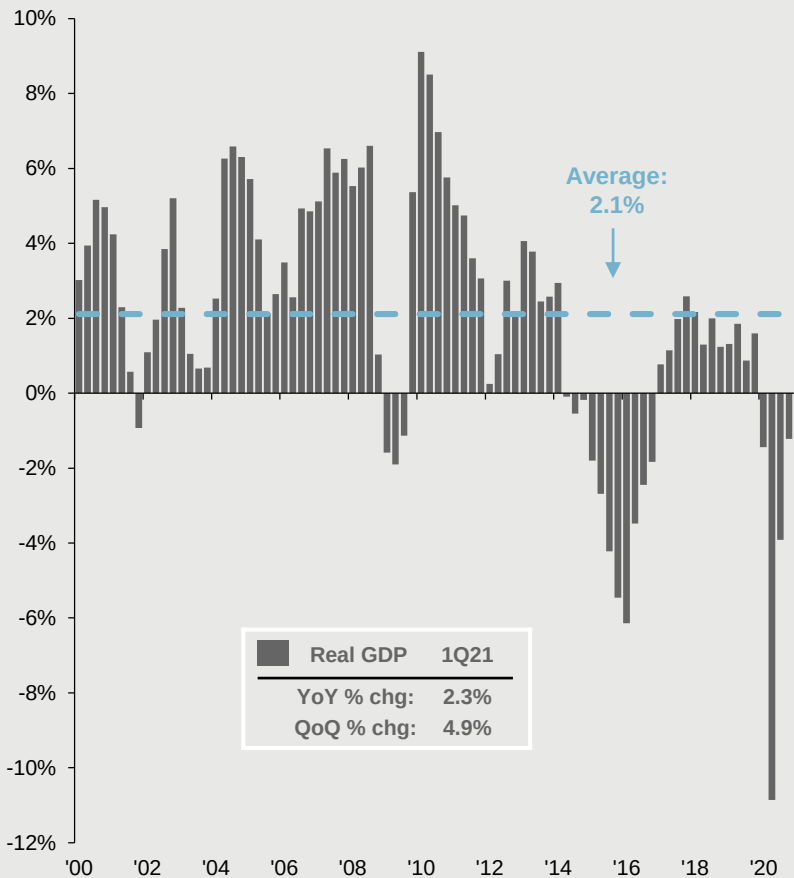
Source: J.P. Morgan Asset Management; (Top left and right) World Bank "Doing Business in 2020" survey; (Bottom left) World Trade Alert.

*Measures that may involve or almost certainly do involve discrimination against foreign commercial interests.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

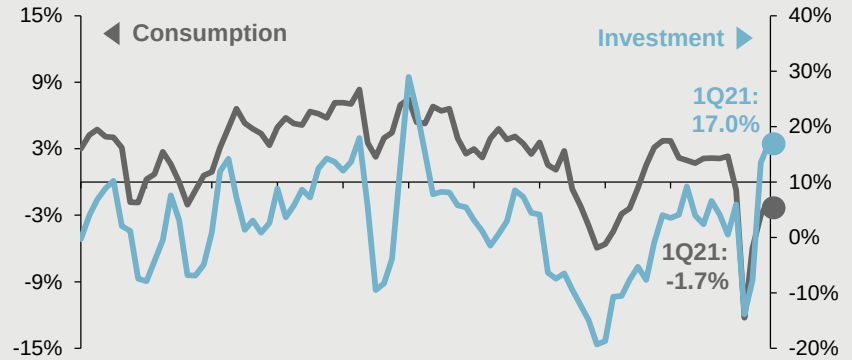
Real GDP

Year-over-year % change



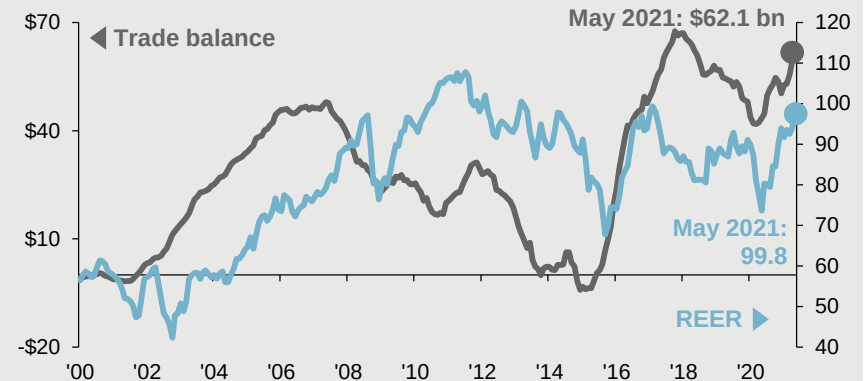
Real consumption and investment

Year-over-year % change



Trade balance and exchange rate

USD billions, accumulated past 12 months, real effective FX*



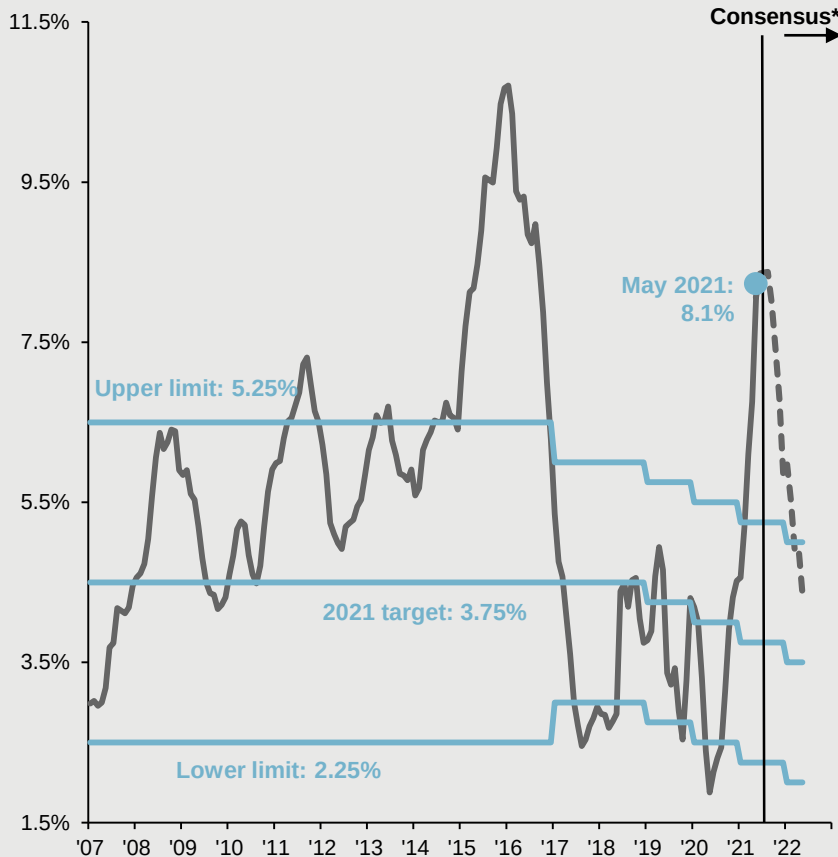
Source: IBGE (Brazilian Statistics and Geography Institute), J.P. Morgan Asset Management; (Bottom right) Central Bank of Brazil, MDIC (Ministry of Development, Industry and External Commerce), J.P. Morgan Global Economic Research.

*Real effective exchange rates (REERs) compare the value of a currency to a weighted basket of several foreign currencies. They are deflated using a producer price index.

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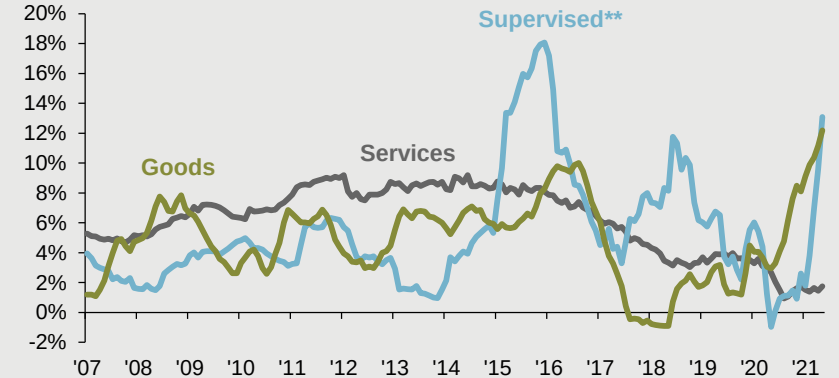
Inflation targeting and inflation

IPCA, 12-month accumulated % change



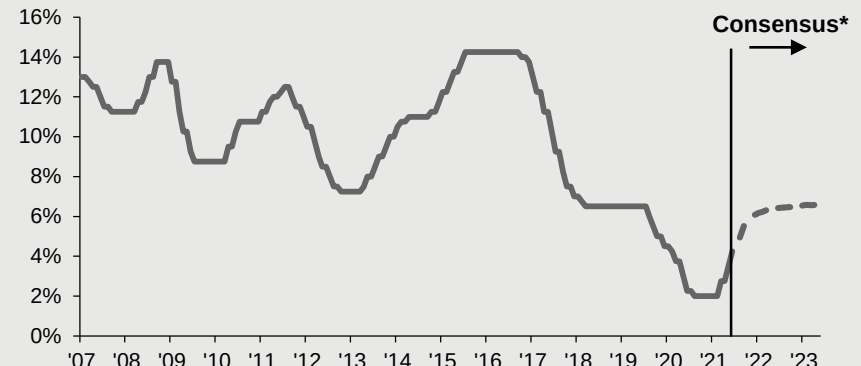
Inflation breakdown

IPCA, year-over-year % change



Target policy rate and expectations

BCB Selic target rate and consensus expectations, end of period



Source: Central Bank of Brazil, IBGE (Brazilian Statistics and Geography Institute), J.P. Morgan Asset Management.

Target inflation bands set by Central Bank of Brazil. *Focus survey conducted by Central Bank of Brazil. **Includes prices set at federal level (telephone services, petroleum derivatives, electricity, health plans) and state/municipal level (water and sewage taxes, value-added and real estate taxes, public transport costs).

Guide to the Markets – Latin America. Data are as of June 30, 2021.

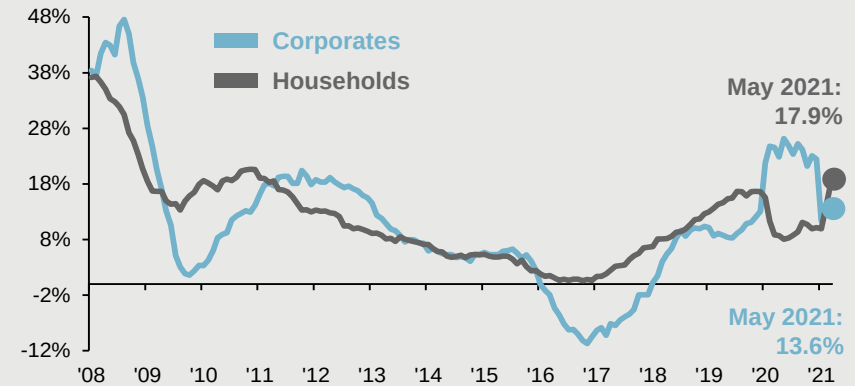
Consumer and industrial confidence

Seasonally adjusted



Credit growth

Year-over-year % change, non-earmarked credit*



Unemployment rate

Non-seasonally adjusted, 3-month average



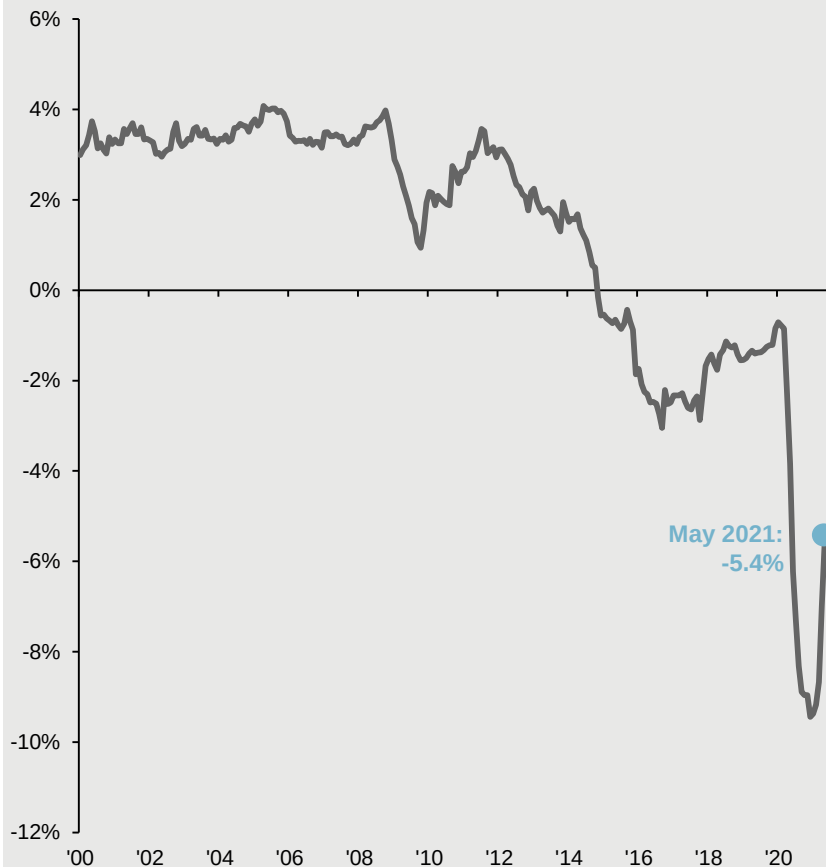
Source: J.P. Morgan Asset Management; (Left) FGV/IBRE (Brazilian Institute of Economics of the Getulio Vargas Foundation); (Top right) Central Bank of Brazil; (Bottom right) IBGE (Brazilian Statistics and Geography Institute).

*Non-earmarked funds are those where interest rates are determined by market conditions.

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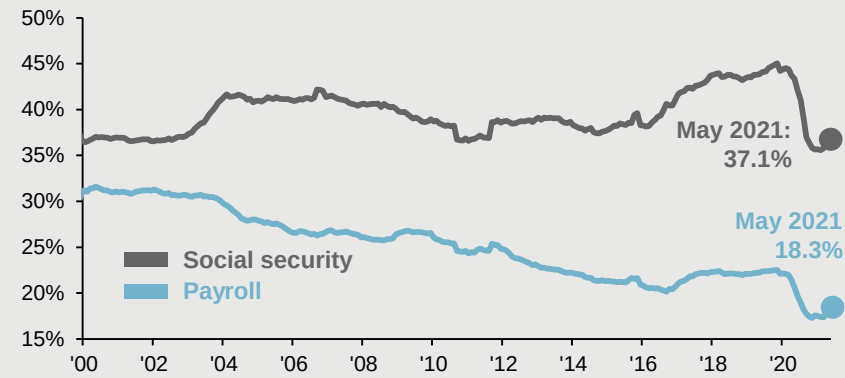
Public sector primary balance

% of GDP, 12-month sum



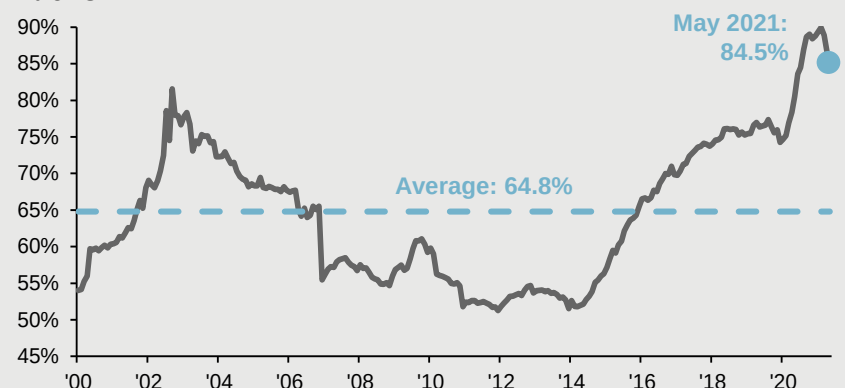
Social security and payroll expenditures

% of total expenses, 12-month moving average



Gross debt

% of GDP



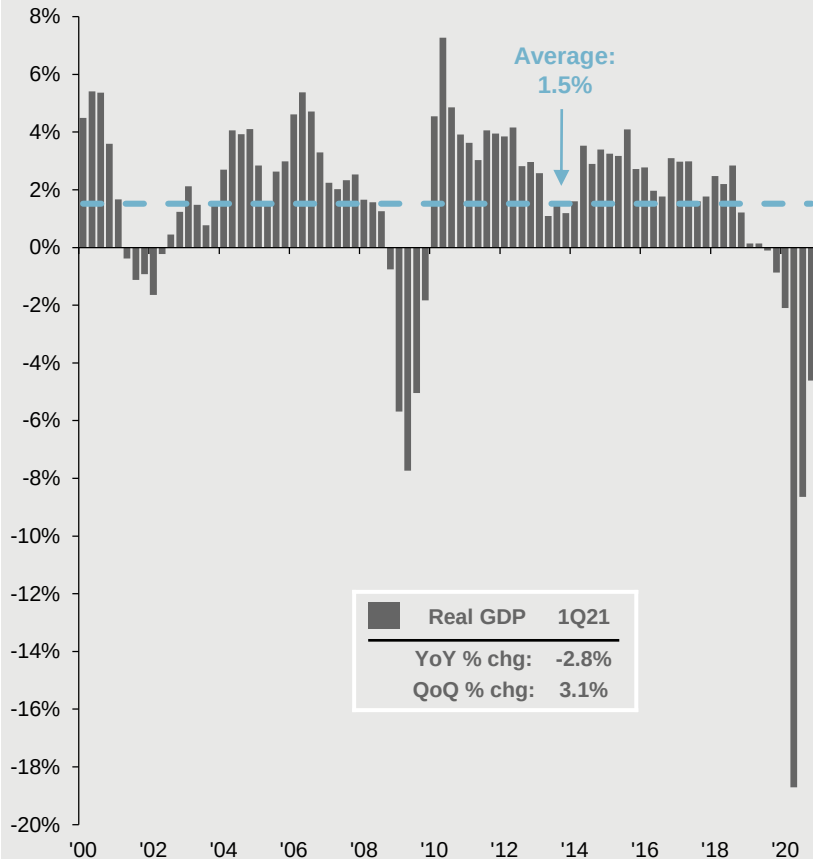
Source: J.P. Morgan Global Economic Research, J.P. Morgan Asset Management; (Left and bottom right) Central Bank of Brazil; (Top right) National Treasury of Brazil.

Public sector includes central government, local governments and selected state-owned companies.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

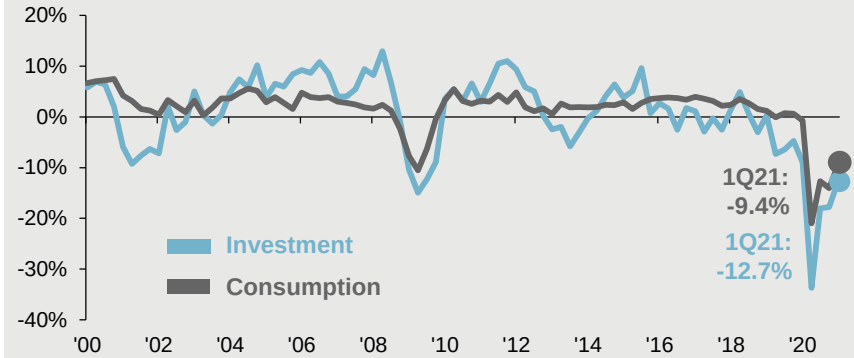
Real GDP

Year-over-year % change



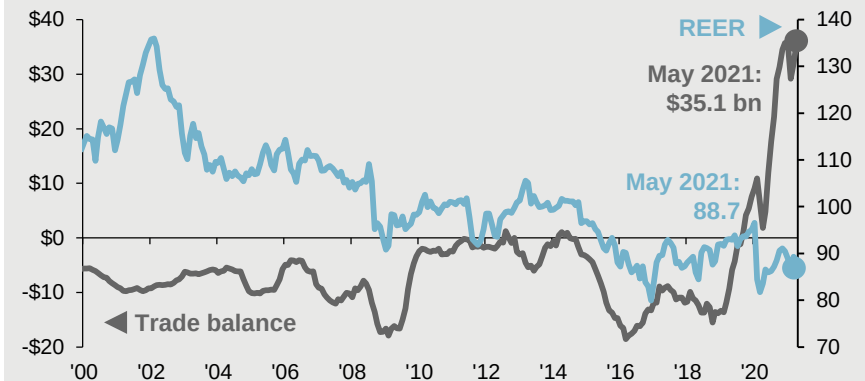
Real consumption and investment

Year-over-year % change



Trade balance and exchange rate

USD billions, accumulated past 12 months, real effective FX*



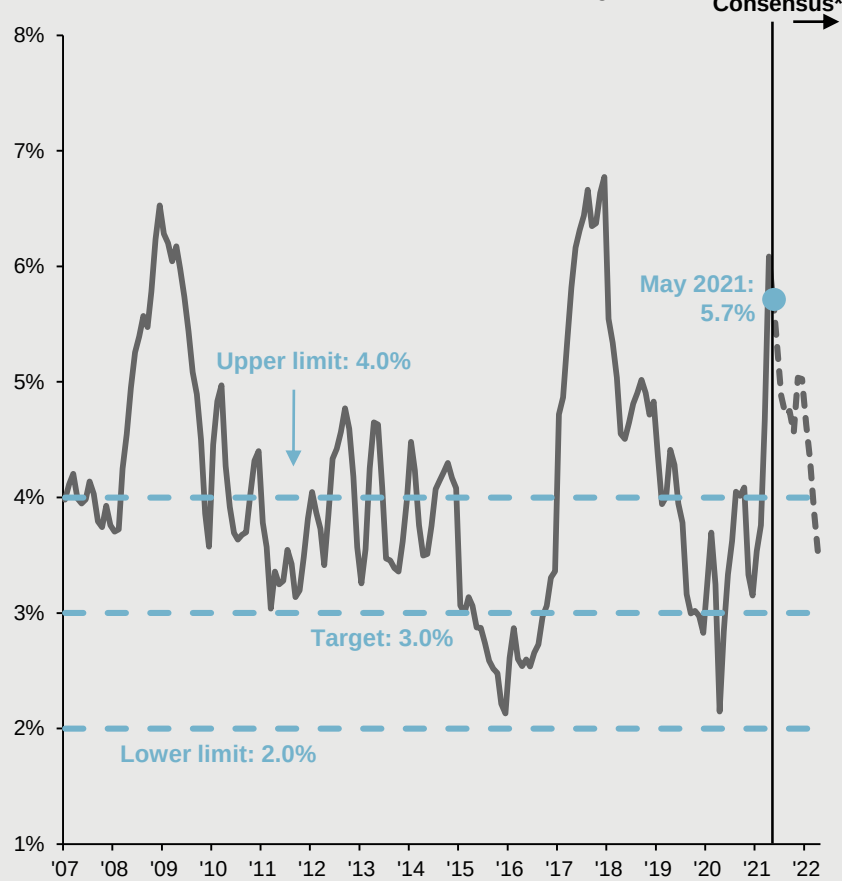
Source: INEGI (National Institute of Statistics and Geography of Mexico), J.P. Morgan Global Economic Research, J.P. Morgan Asset Management.

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Guide to the Markets – Latin America. Data are as of June 30, 2021.

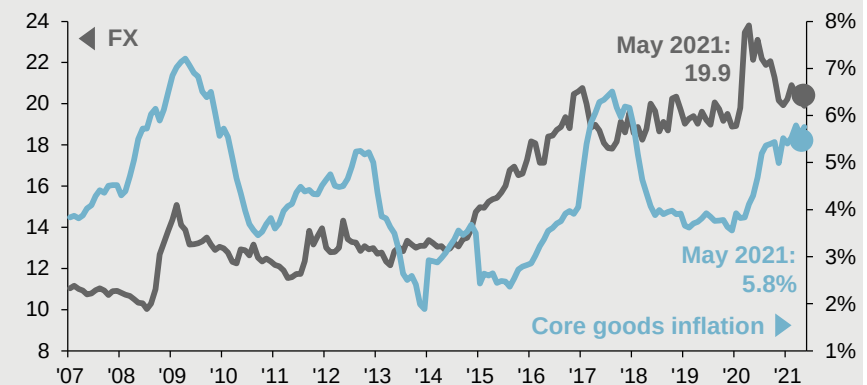
Inflation targeting and inflation

Headline inflation, 12-month accumulated % change



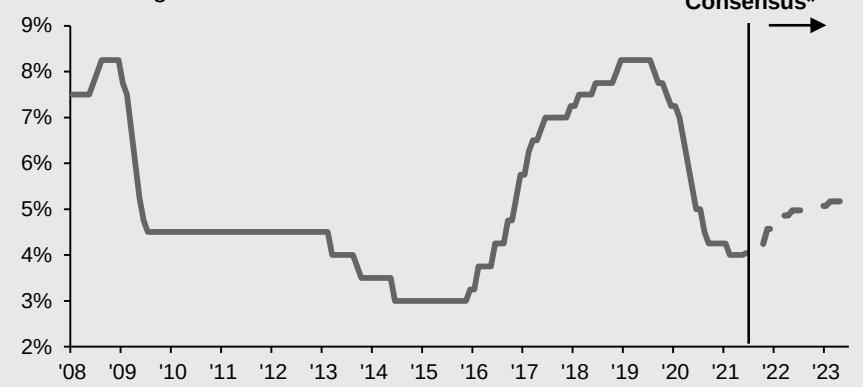
FX and core goods inflation

Peso per USD spot rate, monthly average, year-over-year % chg.



Target policy rate and expectations

Banxico target rate



Source: Central Bank of Mexico, J.P. Morgan Global Economic Research, J.P. Morgan Asset Management.

*Survey conducted by the Central Bank of Mexico as of June 2021.

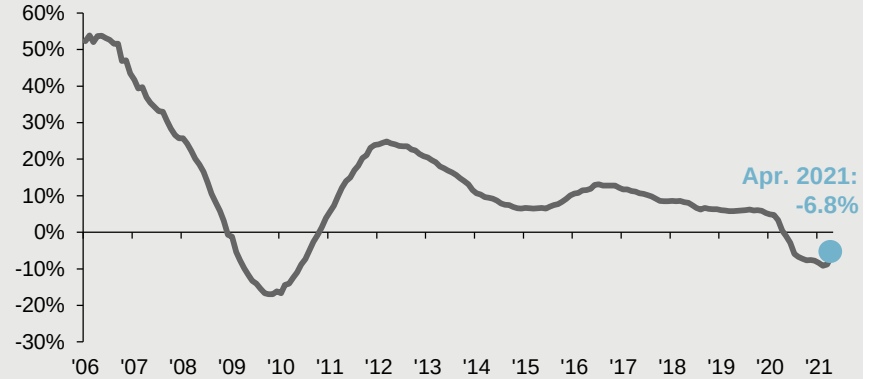
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Consumer and industrial confidence

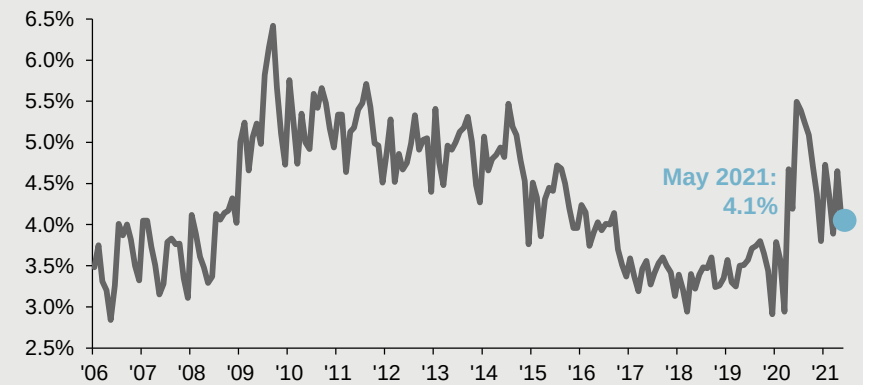
Composite consumer index, mfg. producer confidence, sa

**Private sector credit growth**

Households, year-over-year % change, net of bad debts

**Unemployment rate**

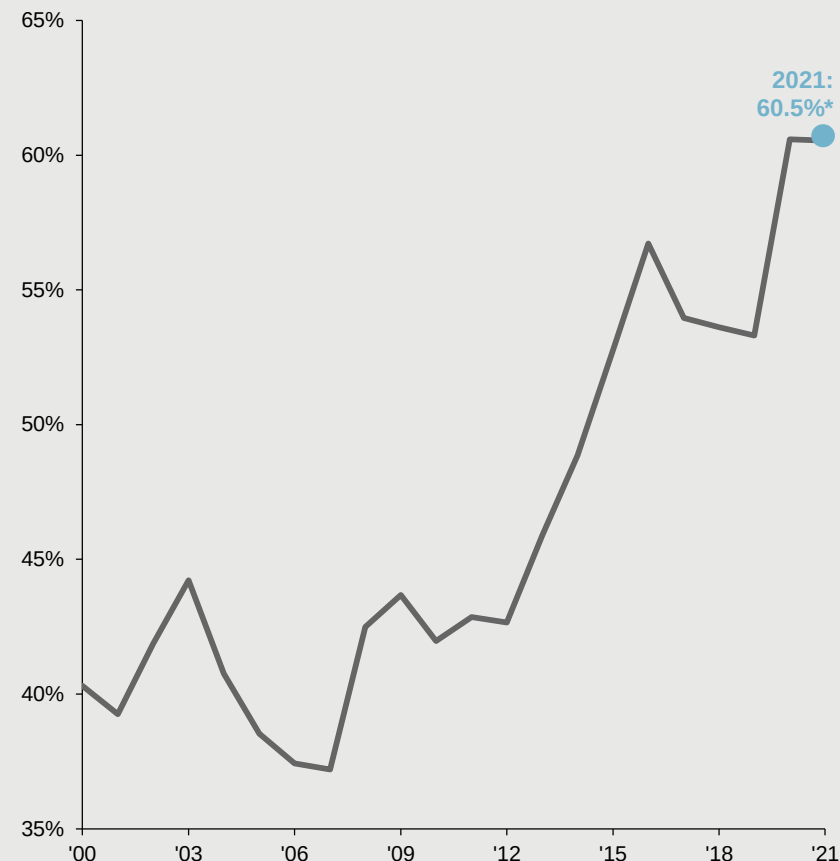
Non-seasonally adjusted



Source: J.P. Morgan Asset Management; (Left) INEGI-Central Bank of Mexico; (Top right) Central Bank of Mexico; (Bottom right) INEGI (National Institute of Statistics and Geography of Mexico).
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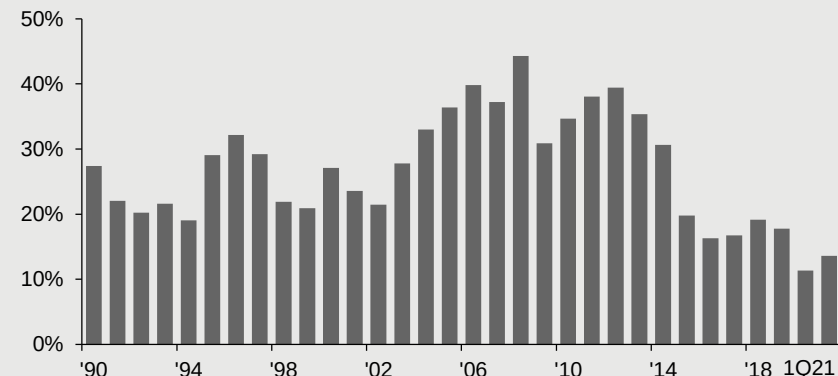
Gross debt

% of GDP



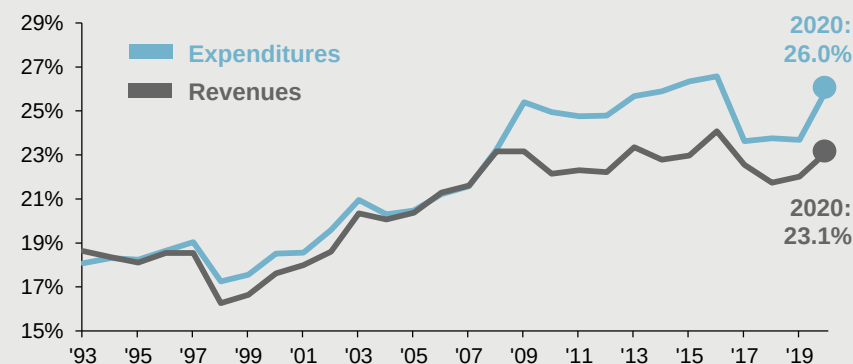
Government oil revenues

% of total government revenues



Public sector revenues and expenditures

% of GDP, annual



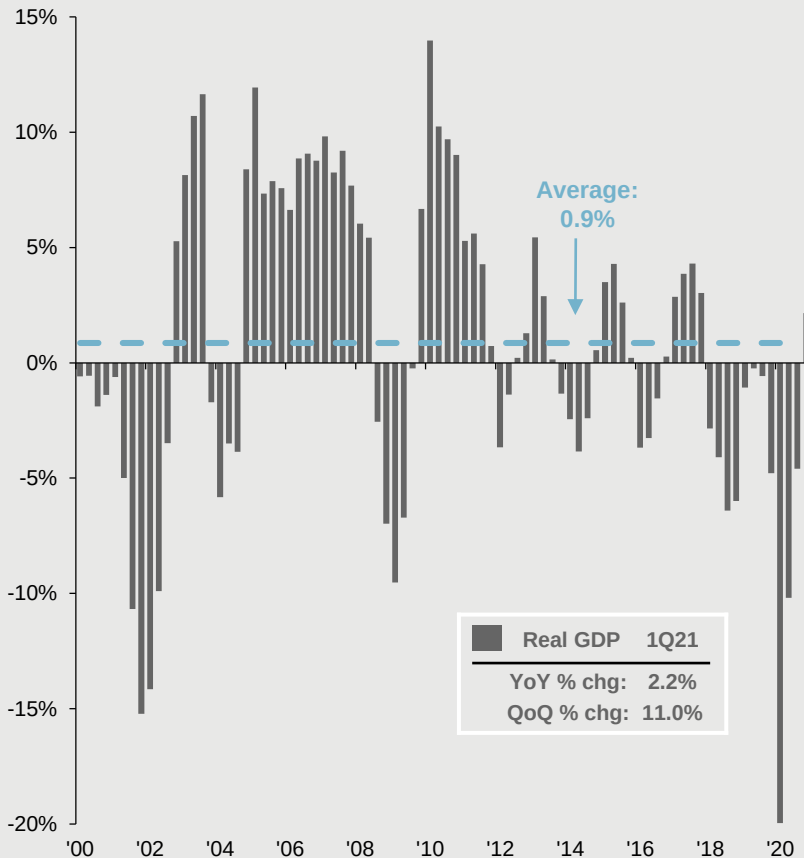
Source: J.P. Morgan Asset Management; (Left) IMF; (Top right) Ministry of Finance and Public Credit; (Bottom right) Central Bank of Mexico, INEGI.

*2021 is an IMF estimate.

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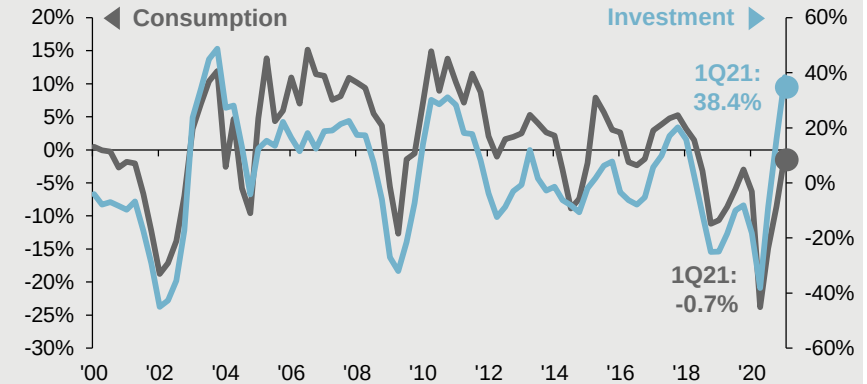
Real GDP

Year-over-year % change



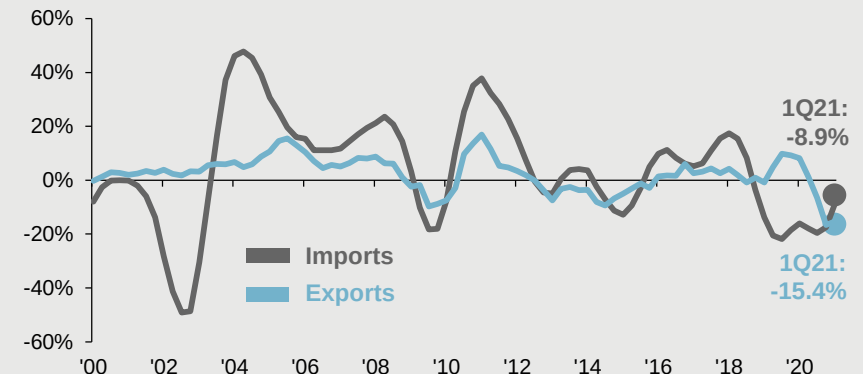
Real consumption and investment

Year-over-year % change



International trade

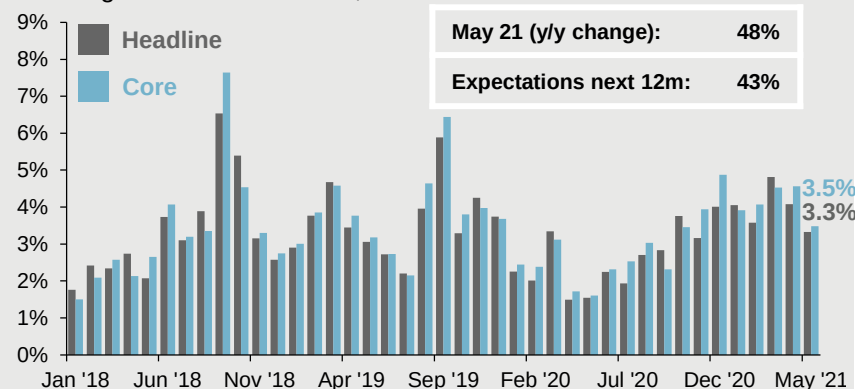
Year-over-year % change, 4-quarter moving average



Source: Economic Ministry, J.P. Morgan Asset Management.
Guide to the Markets – Latin America. Data are as of June 30, 2021.

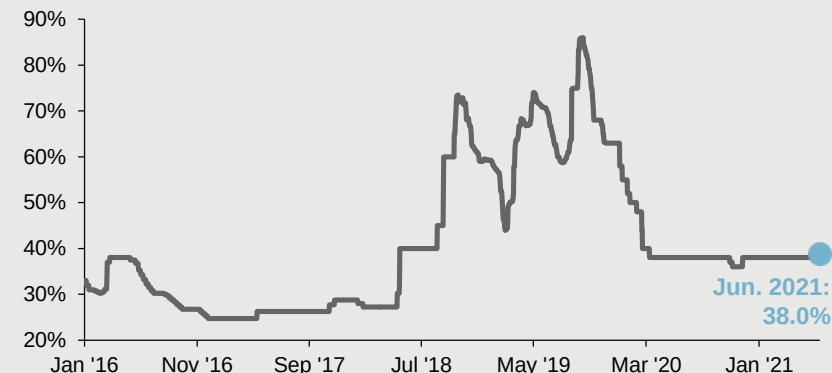
Inflation

% change month-over-month, national IPC



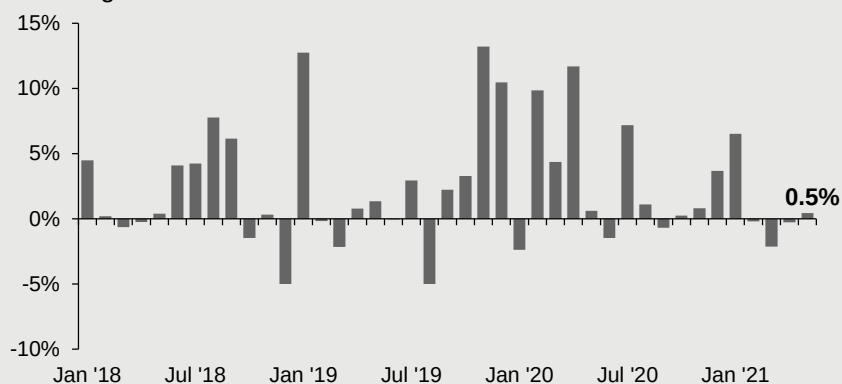
Monetary policy rate

% per annum



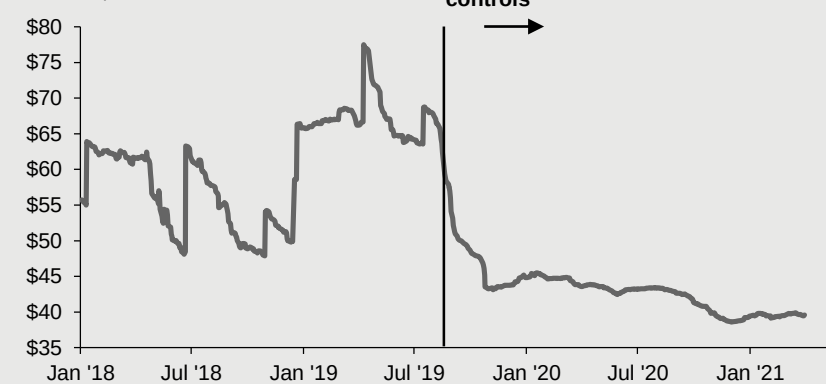
Monetary base

% change month-over-month



International reserves

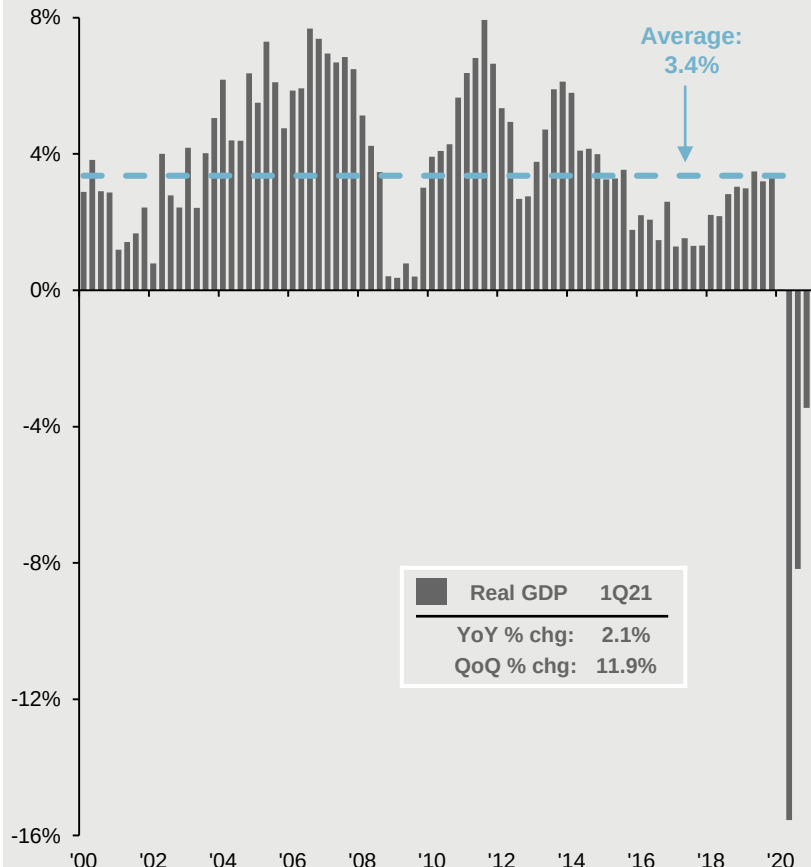
Billions, U.S. dollars



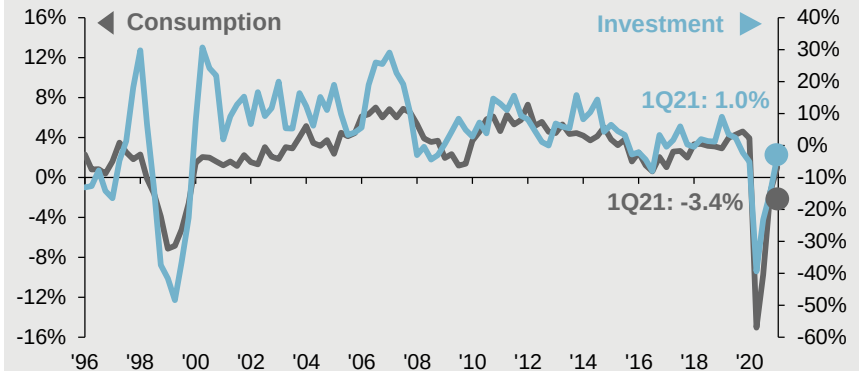
Source: Central Bank of Argentina, INDEC (National Institute of Statistics and Census of Argentina), J.P. Morgan Asset Management.
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Real GDP

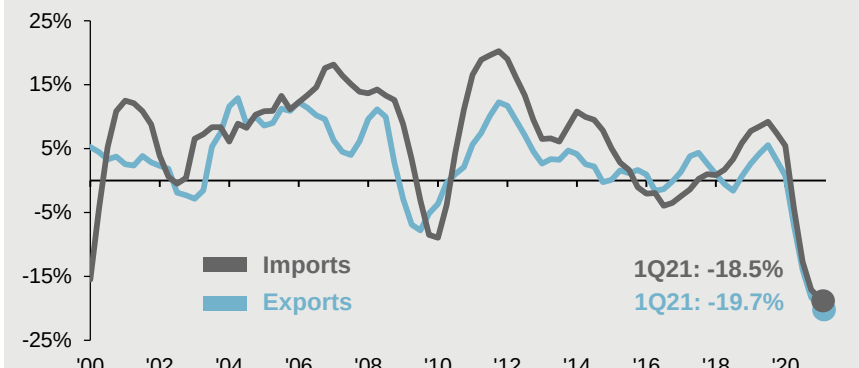
Year-over-year % change

**Real consumption and investment**

Year-over-year % change

**International trade**

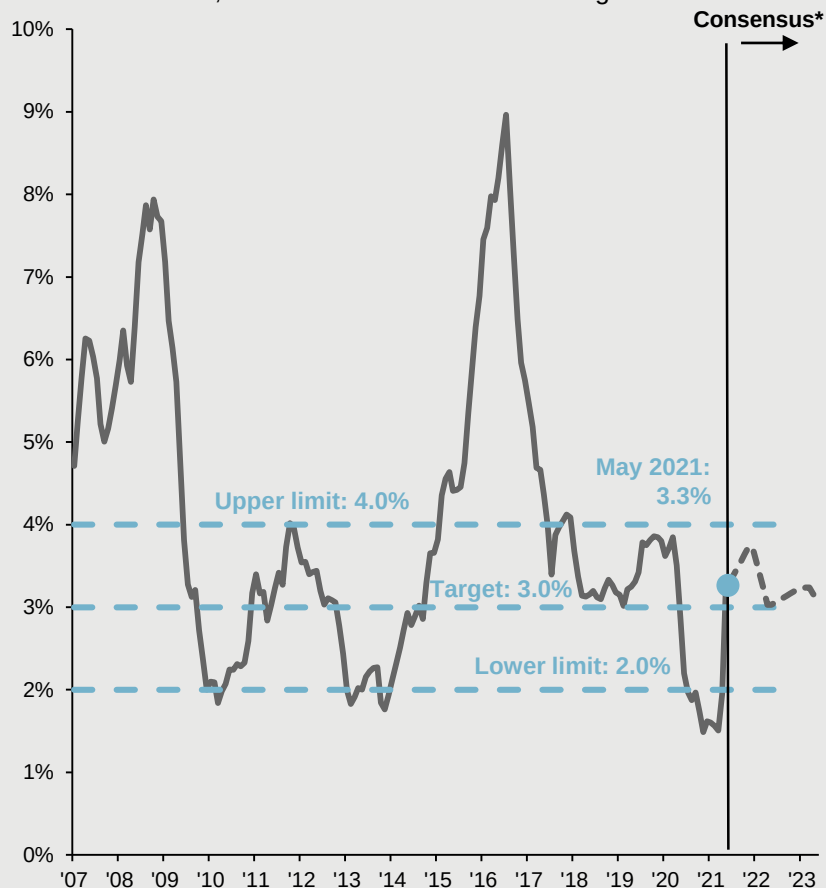
Year-over-year % change, 4-quarter moving average



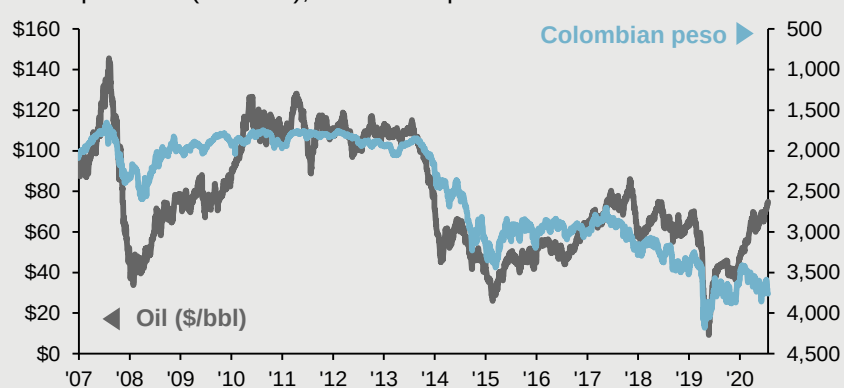
Source: DANE (National Administration of Statistics), J.P. Morgan Asset Management.
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Inflation targeting and inflation

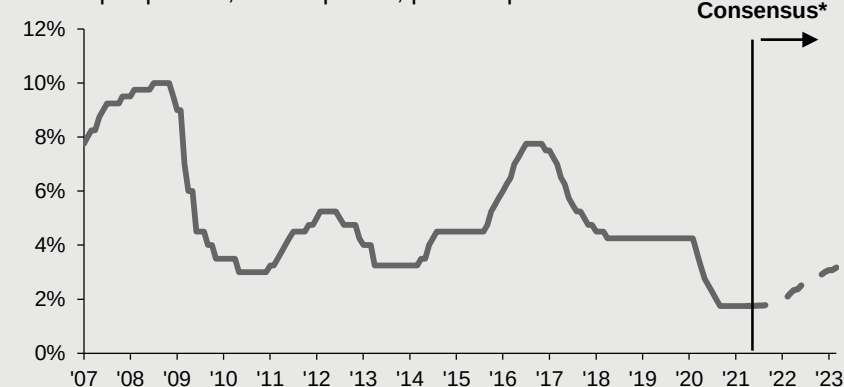
Headline inflation, 12-month accumulated % change

**Oil prices and the Colombian peso**

COP per USD (inverted); Brent US\$ per barrel

**Target policy rate and expectations**

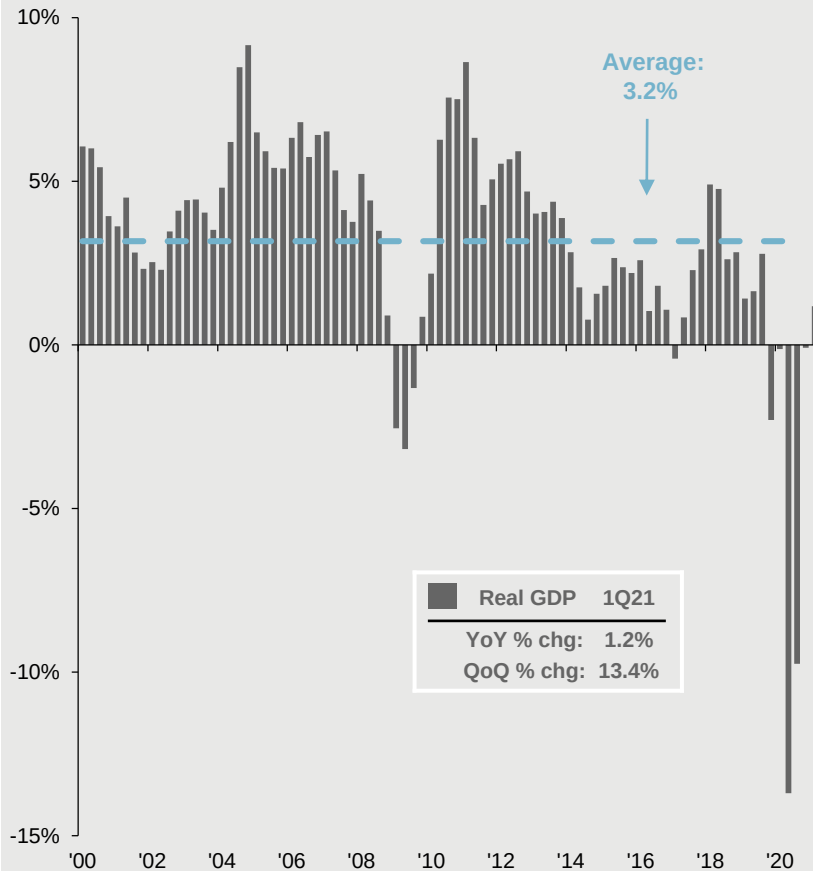
BanRep repo rate, end of period, percent per annum



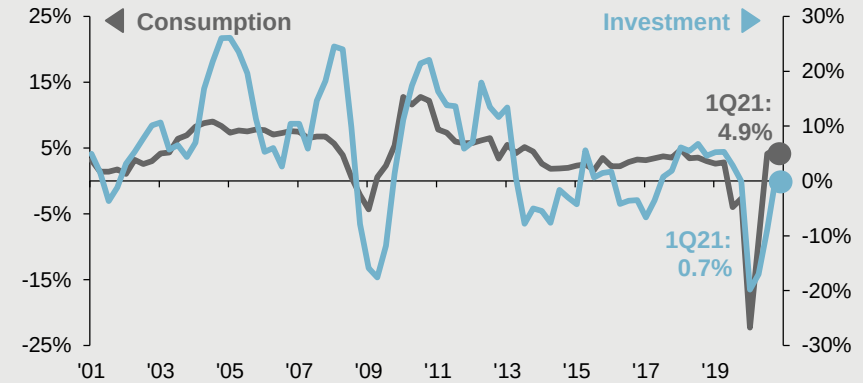
Source: J.P. Morgan Asset Management; (Left and bottom right) Central Bank of Colombia, DANE (National Administration of Statistics); (Top right) Commodity Research Bureau, FactSet, Reuters. *Survey conducted by the Central Bank of Colombia. Guide to the Markets – Latin America. Data are as of June 30, 2021.

Real GDP

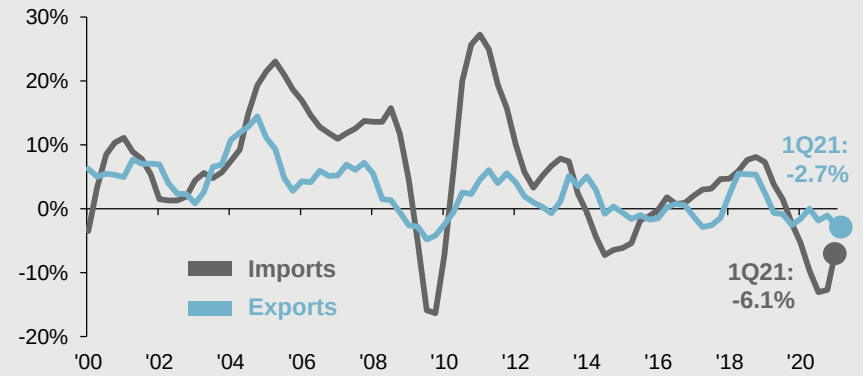
Year-over-year % change

**Real consumption and investment**

Year-over-year % change

**International trade**

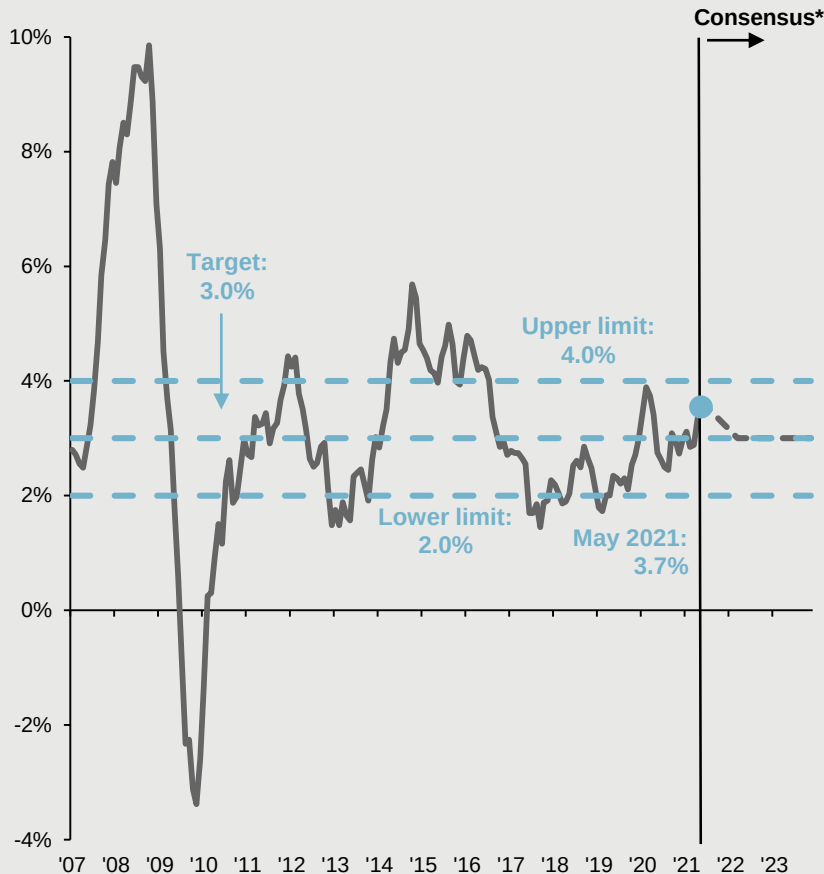
Year-over-year % change, 4-quarter moving average



Source: Central Bank of Chile, J.P. Morgan Asset Management.
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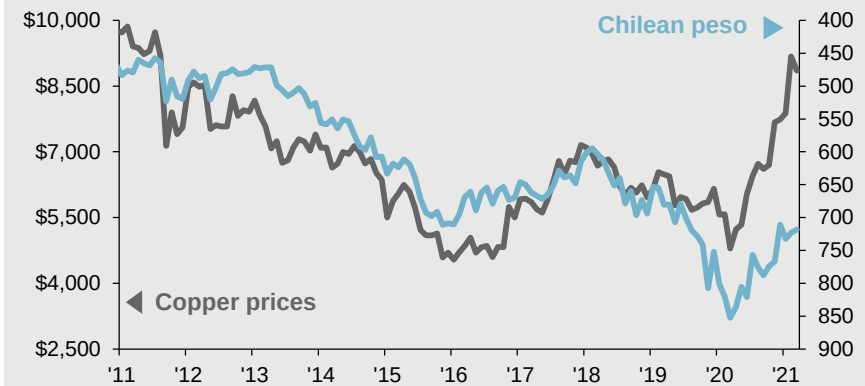
Inflation targeting and inflation

Headline inflation, year-over-year % change



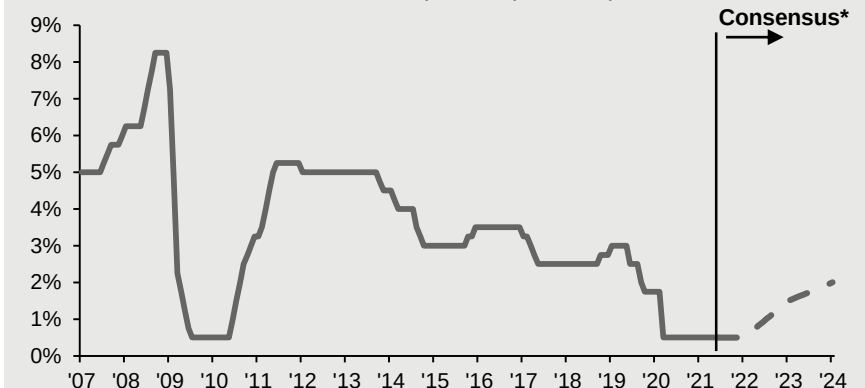
Copper prices and the Chilean peso

CLP per USD (inverted), \$/mt



Target policy rate and expectations

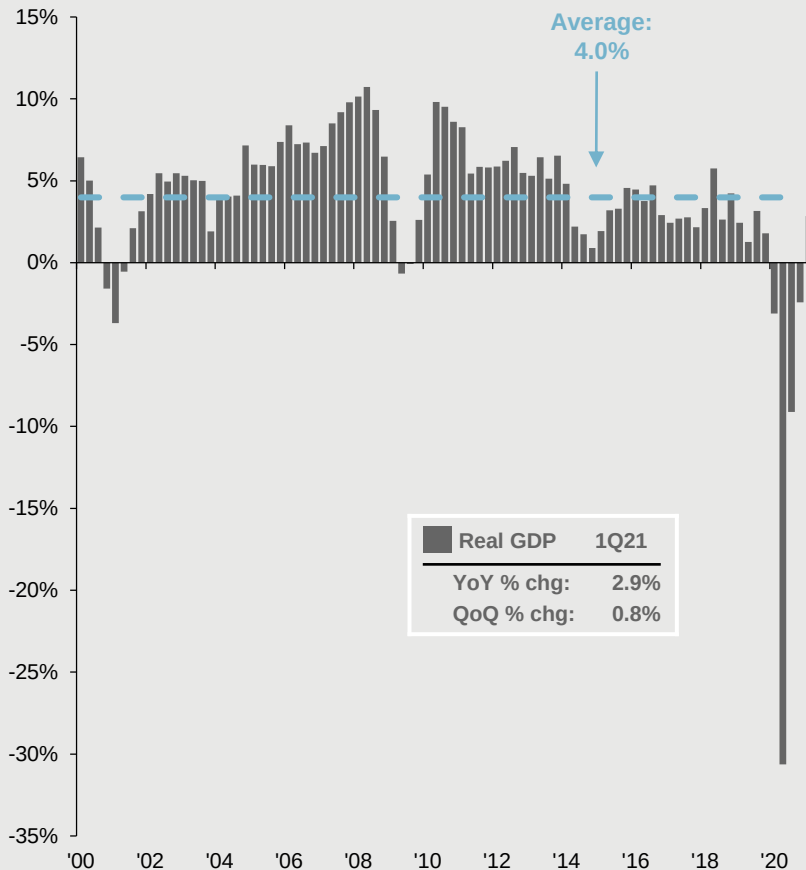
Central Bank of Chile rate, end of period, percent per annum



Source: J.P. Morgan Asset Management; (Left) INE (National Statistics Institute of Chile); (Top right) INE, Reuters; (Bottom right) Central Bank of Chile.*Survey conducted by the Central Bank of Chile.
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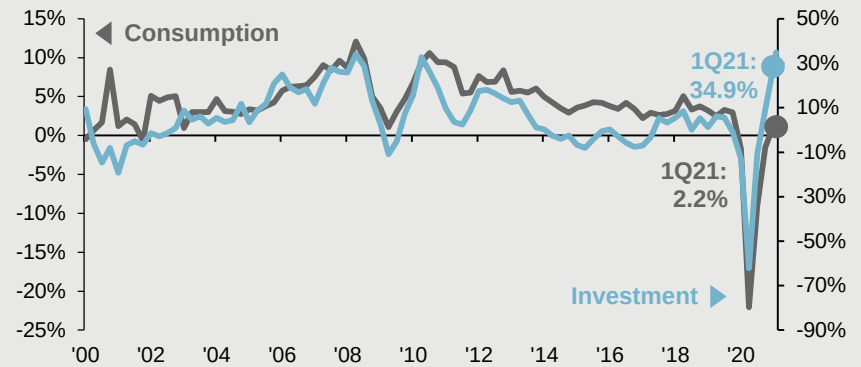
Real GDP

Avg. of 3 months, year-over-year % change



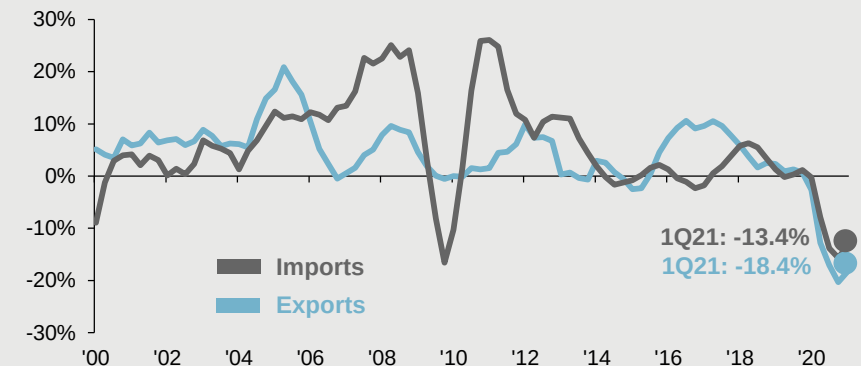
Real consumption and investment

Year-over-year % change



International trade

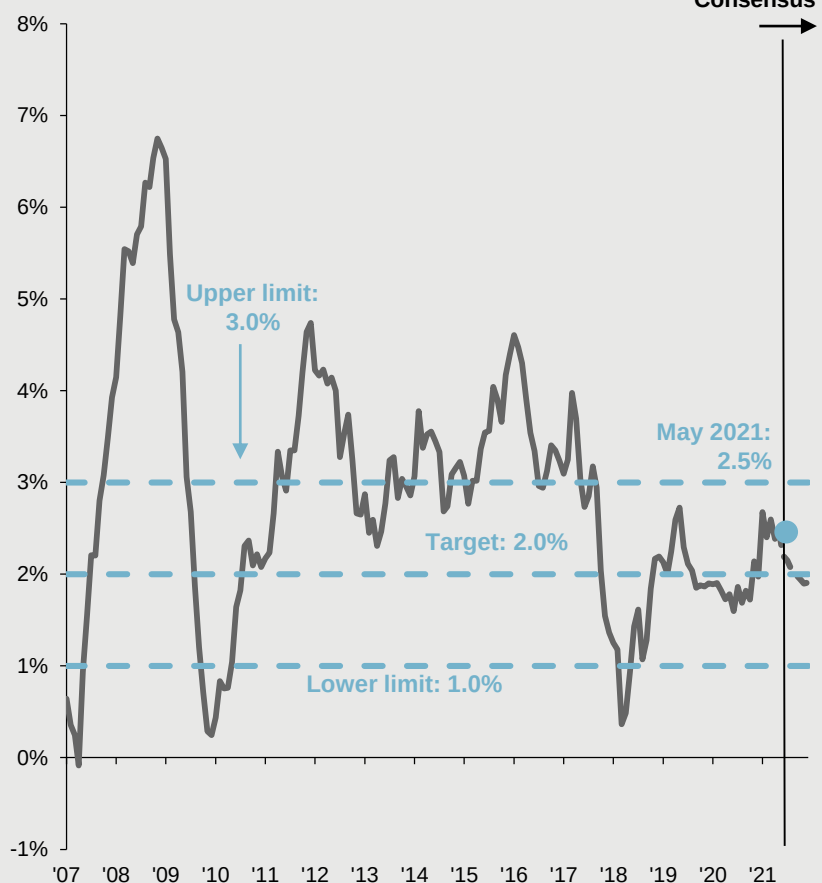
Year-over-year % change, 4-quarter moving average



Source: Central Reserve Bank of Peru, INEI (National Statistics Institute of Peru), J.P. Morgan Asset Management.
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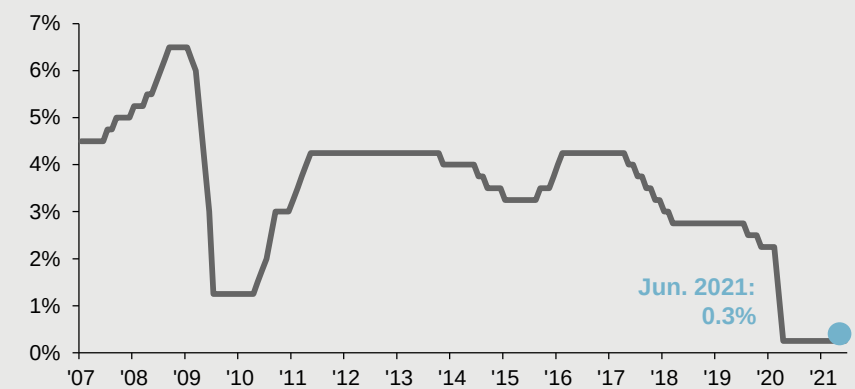
Inflation targeting and inflation

Headline inflation, Lima, year-over-year % change



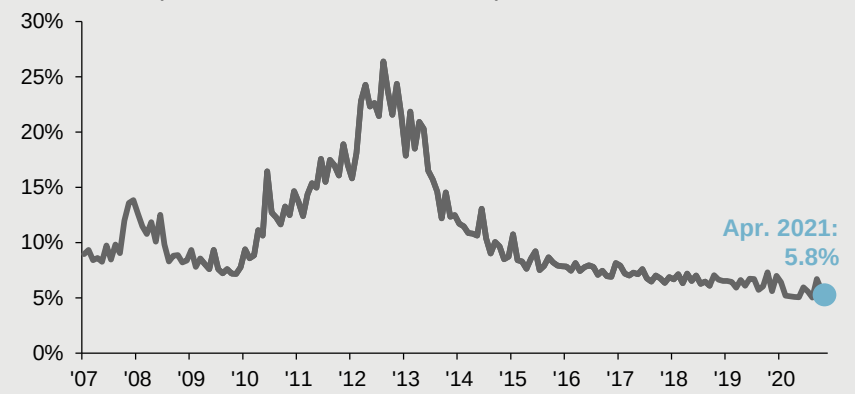
Target policy rate

BCRP official reference rate, end of period, percent per annum



Reserve requirements

Reserve requirements as a % of total deposits



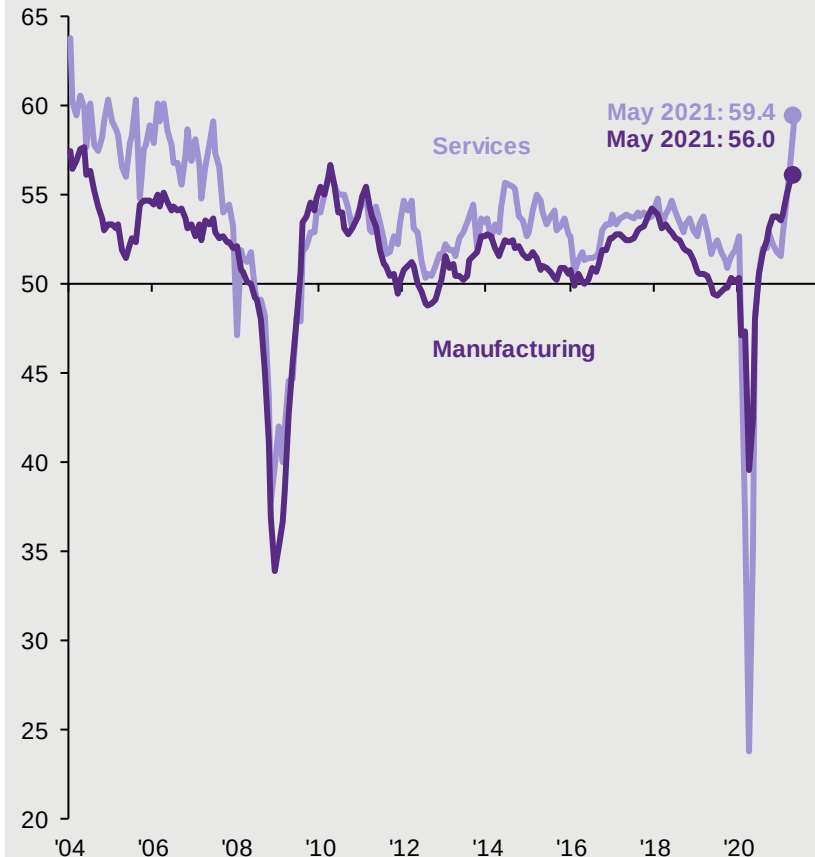
Source: J.P. Morgan Asset Management; (Left) INEI; (Top and bottom right) Central Reserve Bank of Peru.

*Survey conducted by the Central Bank of Peru.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

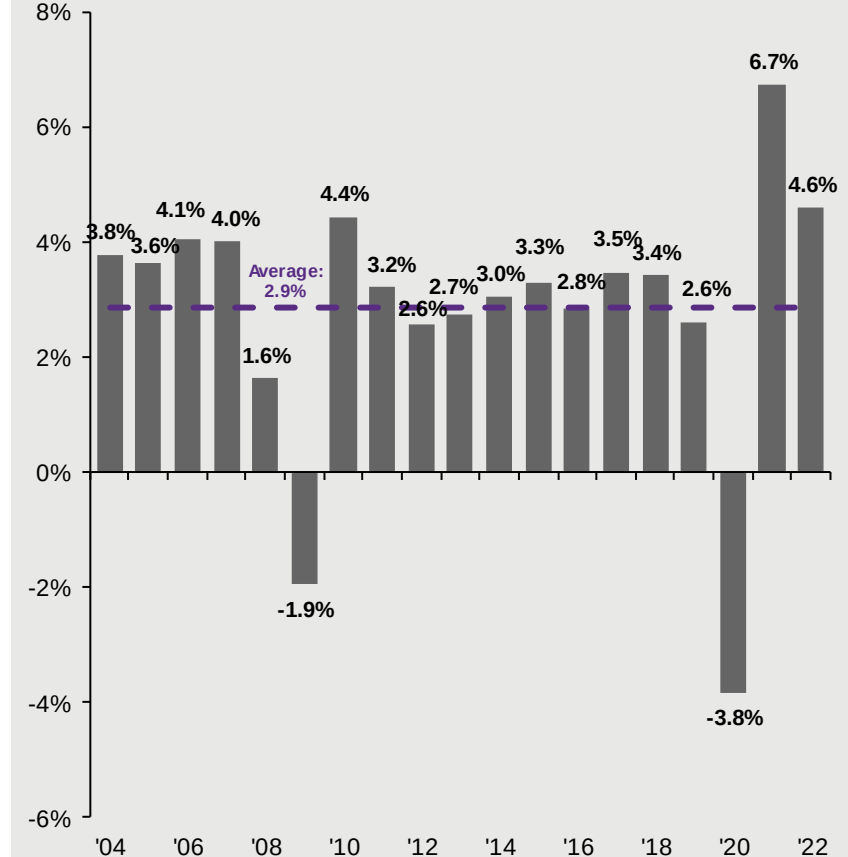
Global PMI for manufacturing and services

Monthly



Global real GDP growth

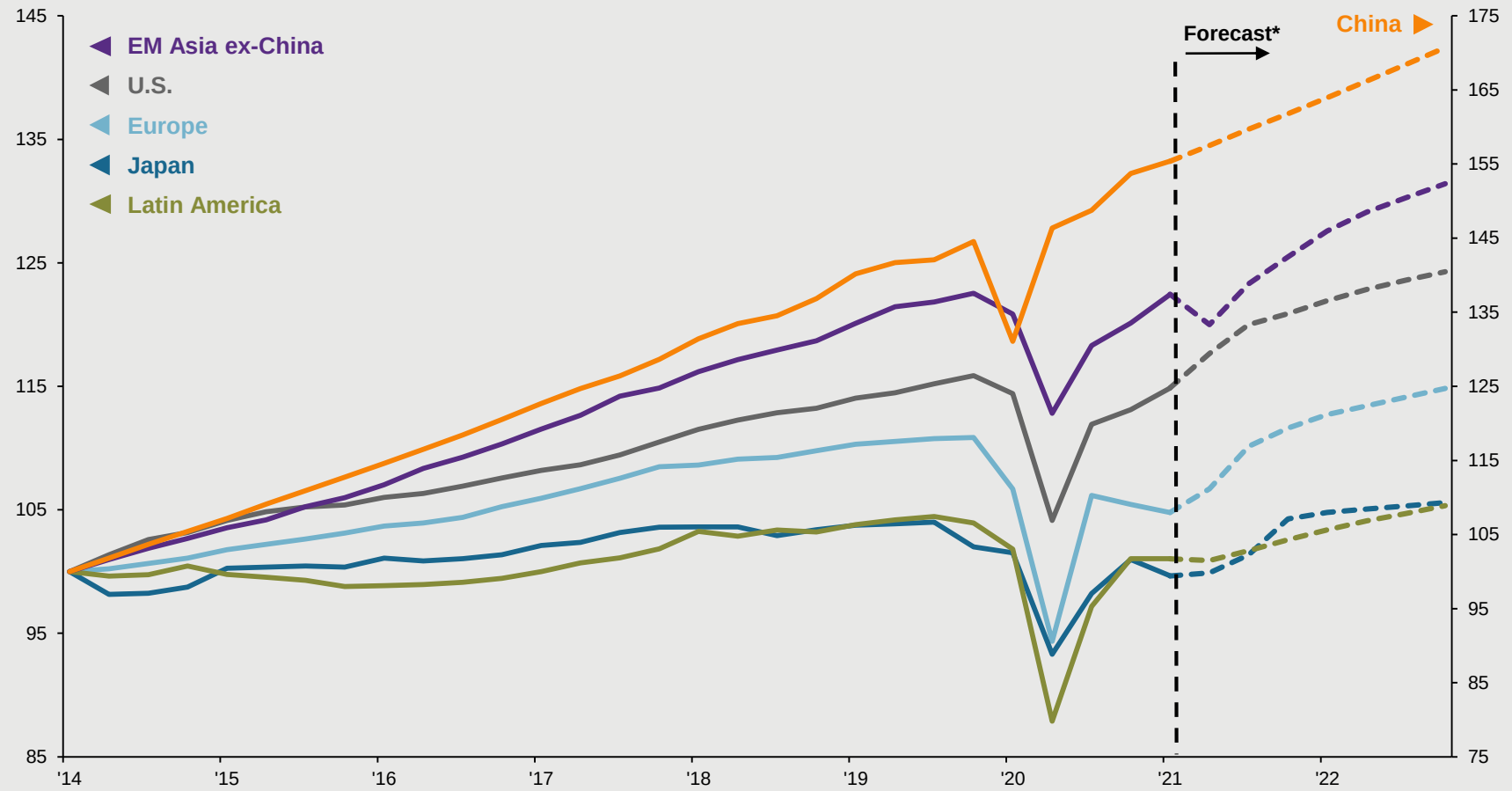
% change, year-over-year



Source: J.P. Morgan Asset Management; (Left) Markit; (Right) J.P. Morgan Global Economic Research. PMI is the Purchasing Managers' Index. Global GDP growth is a GDP-weighted measure of real GDP at U.S. dollar market exchange rates. 2020, 2021 and 2022 growth rates are forecasts. Forecasts are not a reliable indicator of future performance. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward statements, actual events, results or performance may differ materially from those reflected or contemplated.
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Real GDP growth

1Q14=100

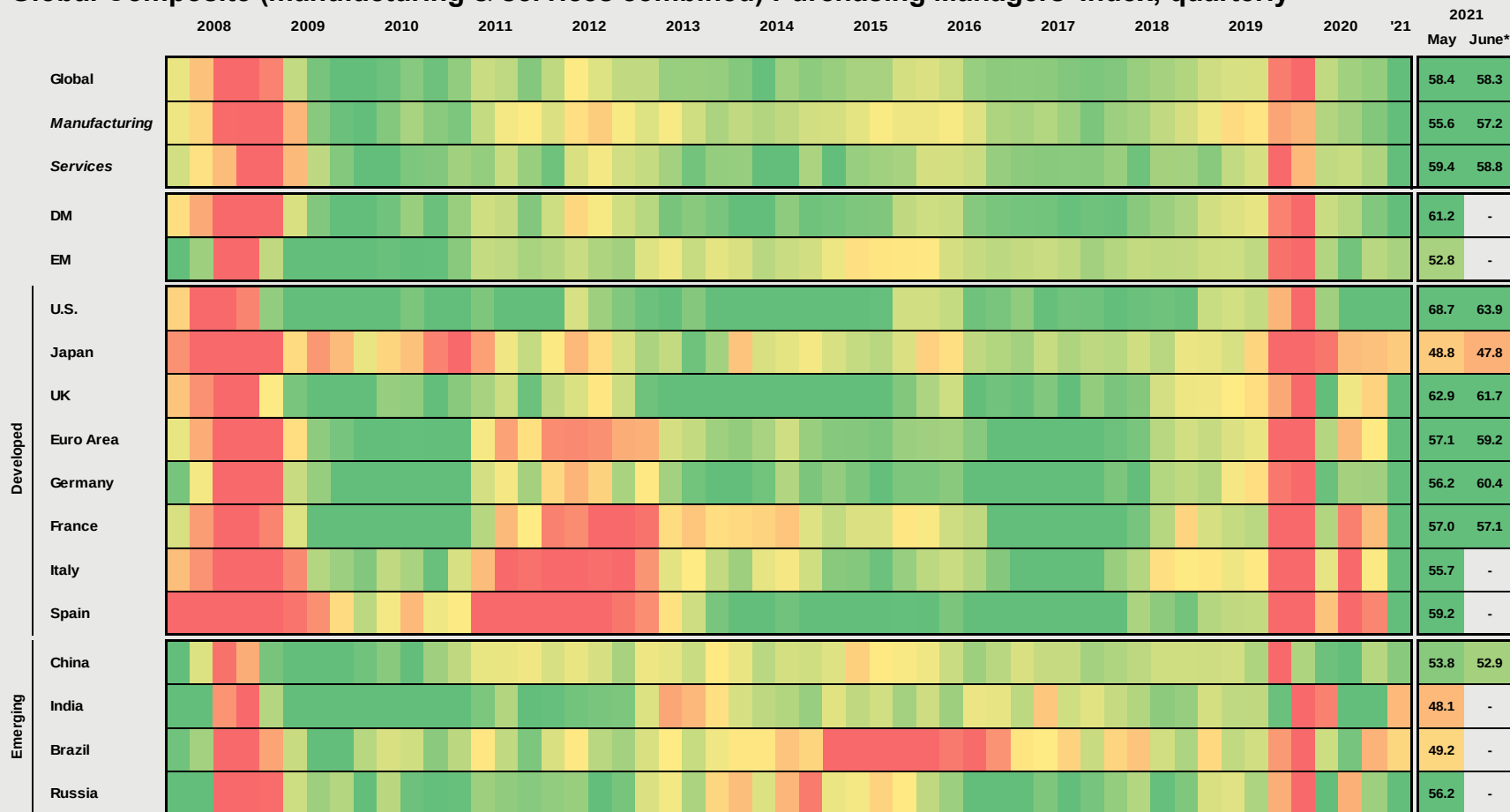


Cabinet Office Economic and Social Research Institute (ESRI), Eurostat, J.P. Morgan Global Economic Research, National Bureau of Statistics of China, U.S. Bureau of Economic Analysis, J.P. Morgan Asset Management.

*Forecasts begin in 2Q21 for U.S., China, Europe, Japan and EM Asia ex-China, and 1Q21 for Latin America.

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Global Composite (manufacturing & services combined) Purchasing Managers' Index, quarterly

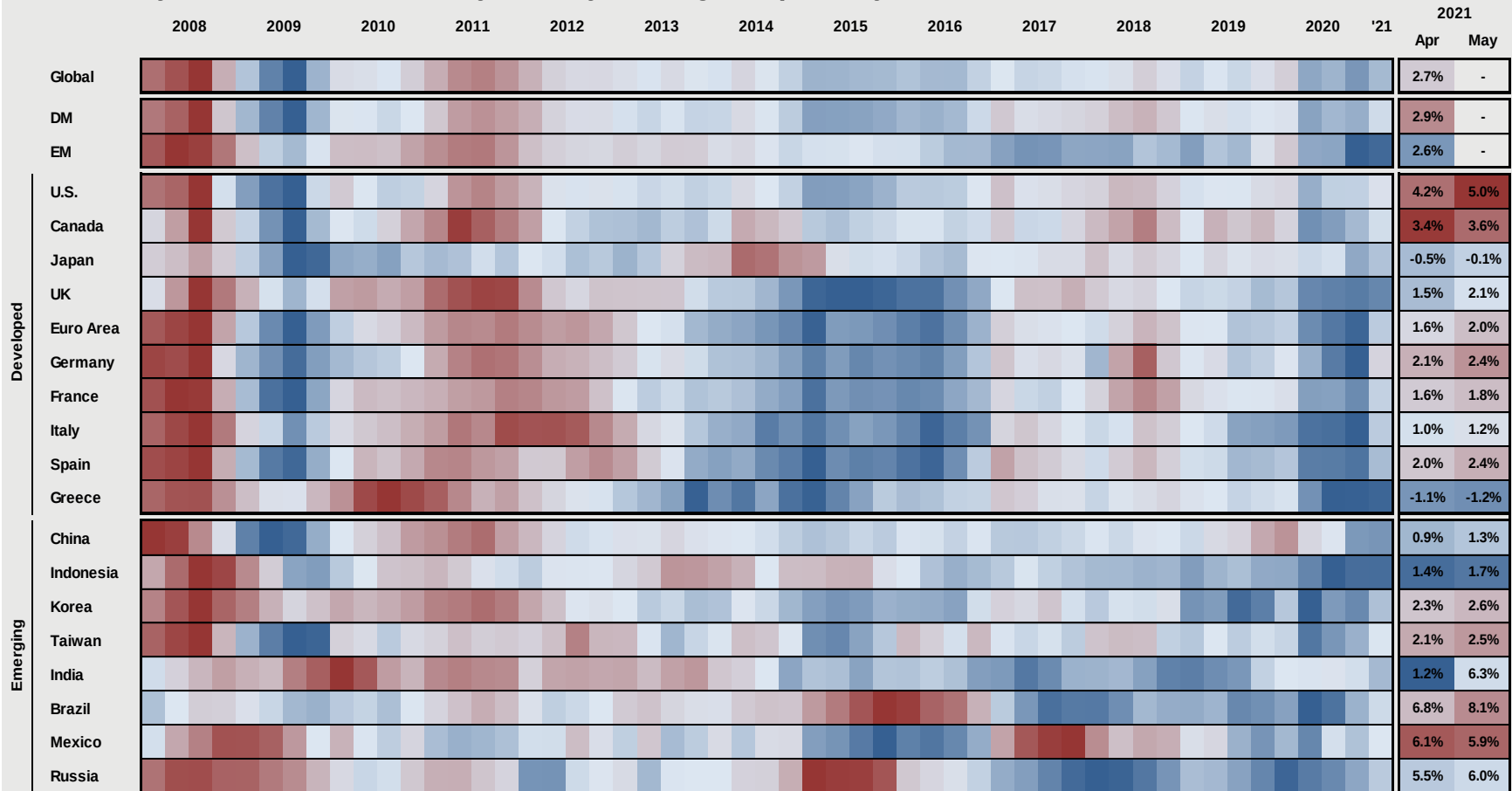


Source: Markit, J.P. Morgan Asset Management.

The Composite PMI includes both manufacturing and services subindices. Heatmap colors are based on PMI relative to the 50 level, which indicates acceleration or deceleration of the sector, for the time period shown. Heatmap is based on quarterly averages, with the exception of the two most recent figures, which are single month readings. Data for the U.S. are back-tested and filled in from December 2007 to September 2009 due to lack of existing PMI figures. DM and EM represent developed markets and emerging markets, respectively. *Composite PMIs are J.P. Morgan Asset Management estimates based on flash PMIs.

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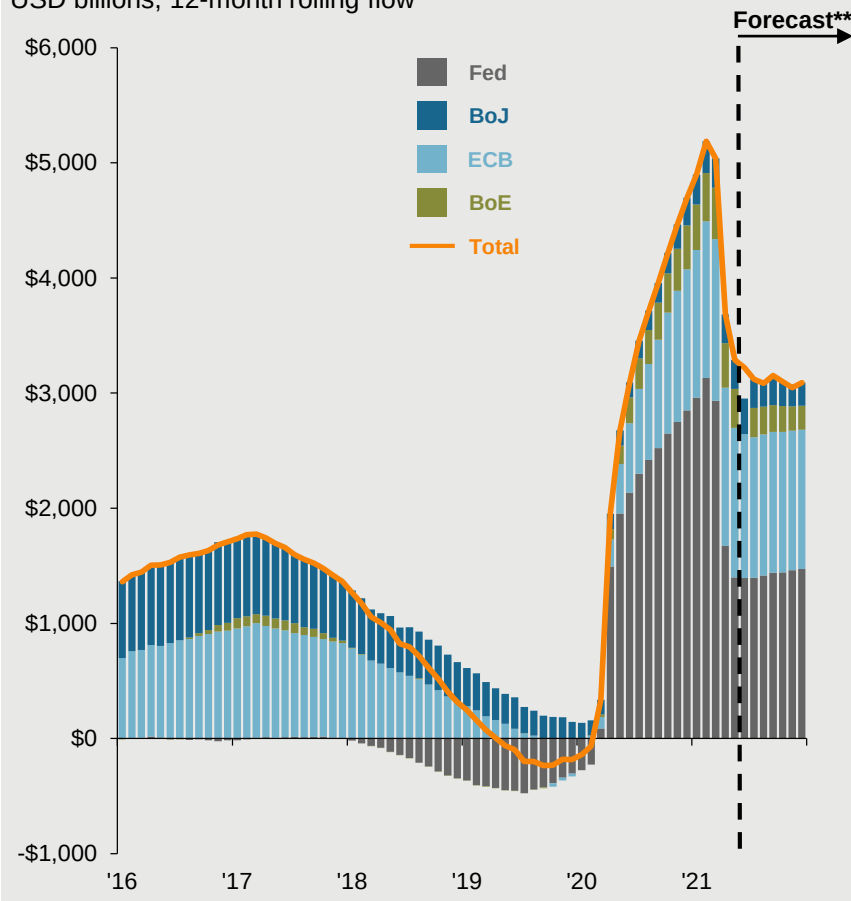
Year-over-year headline inflation by country and region, quarterly



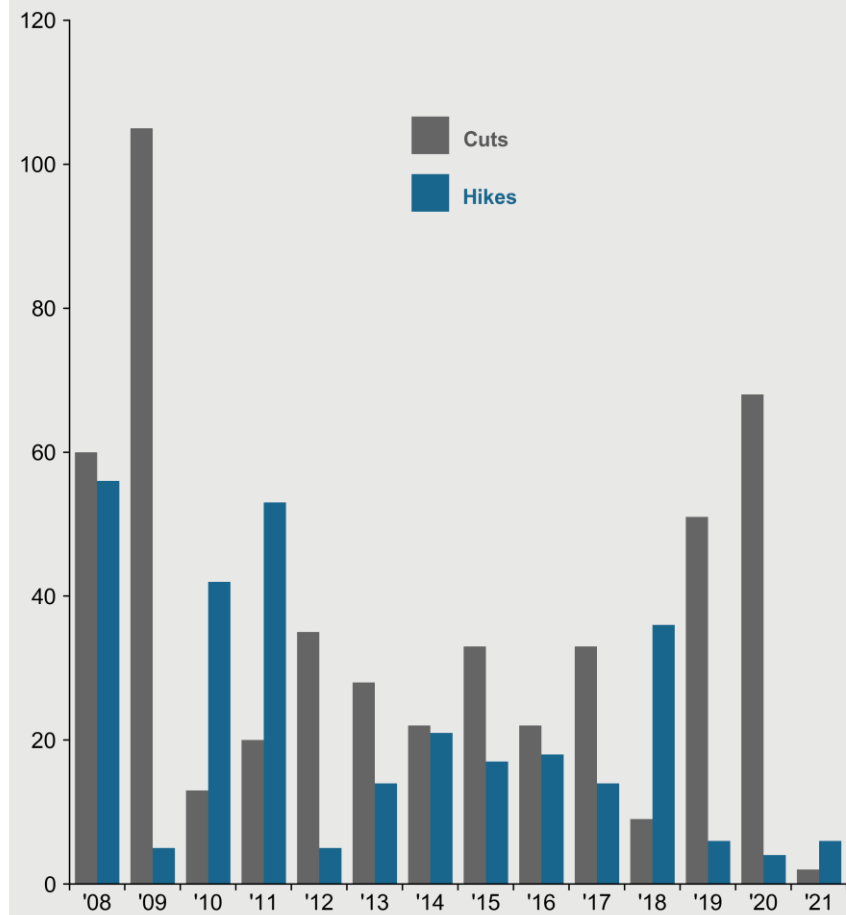
Source: Bank of Mexico, DGBAS, Eurostat, FactSet, Federal Reserve, Goskomstat of Russia, IBGE, India Ministry of Statistics & Programme Implementation, Japan Ministry of Internal Affairs & Communications, Korean National Statistical Office, Melbourne Institute, National Bureau of Statistics China, Statistics Canada, Statistics Indonesia, UK Office for National Statistics (ONS), J.P. Morgan Asset Management. Heatmap is based on quarterly averages, with the exception of the two most recent figures, which are single month readings. Colors determined by percentiles of inflation values over the time period shown. Deep blue = lowest value, light blue = median, deep red = highest value. DM and EM represent developed markets and emerging markets, respectively. Guide to the Markets – Latin America. Data are as of June 30, 2021.

Developed market central bank bond purchases*

USD billions, 12-month rolling flow



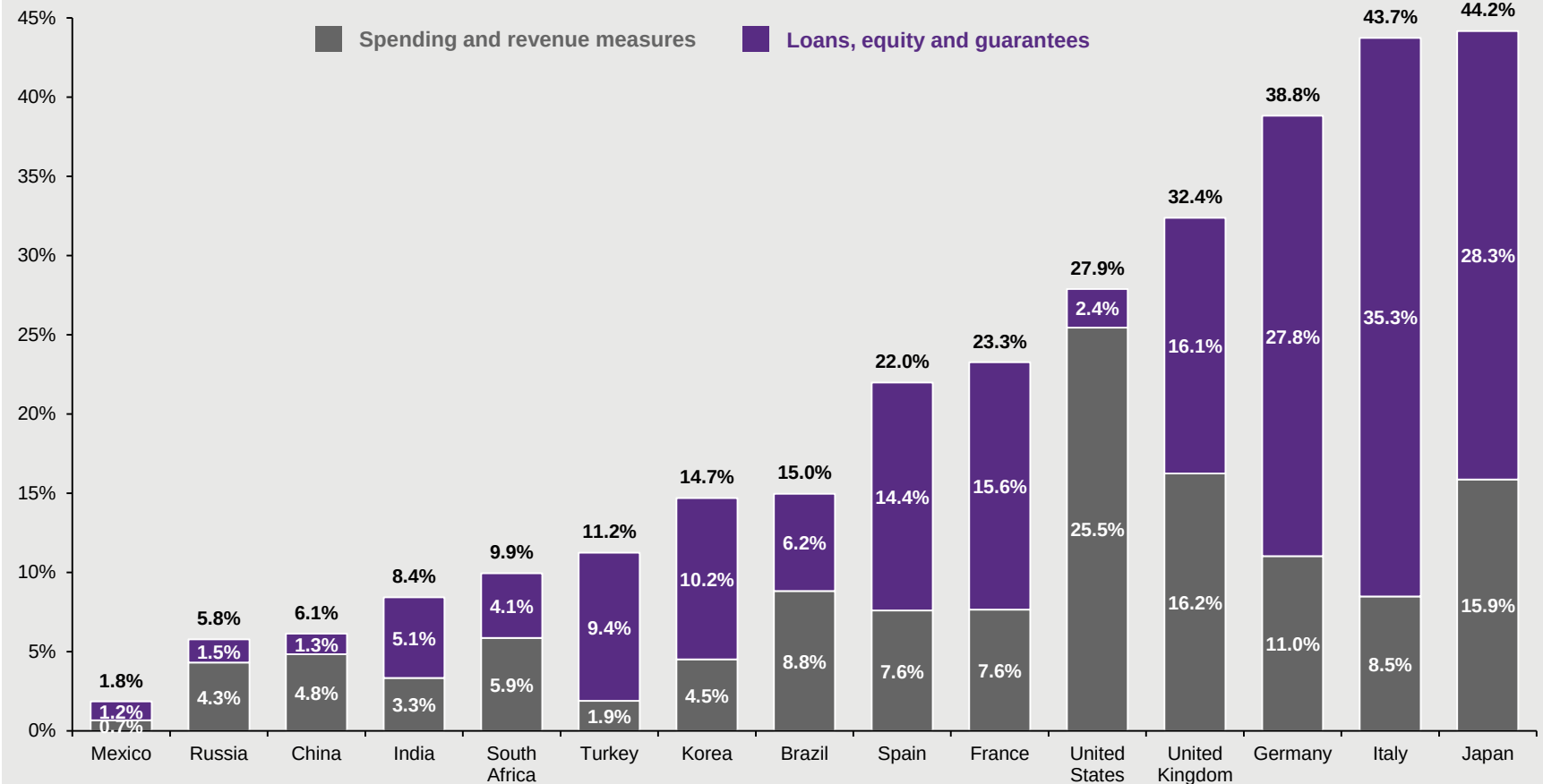
Number of rate changes by EM and DM central banks***



Source: J.P. Morgan Asset Management; (Left) Bank of England, Bank of Japan, European Central Bank, FactSet, Federal Reserve System, J.P. Morgan Global Economic Research; (Right) Bloomberg. *Includes the Bank of Japan (BoJ), Bank of England (BoE), European Central Bank (ECB) and Federal Reserve. **Bond purchase forecast assumes \$70bn GBP in net purchases from BoE through December 2021; BoJ QE of \$15trn JPY ann. for 2021; \$515trn EUR in net purchases from the ECB through December 2021; and the Federal Reserve to purchase \$480bn of Treasuries, \$240bn of agency MBS through December 2021. Fed assumptions are based on June 2021 policy announcement. ***Central banks include Australia, Brazil, Canada, Chile, China, Colombia, Denmark, euro area, Hong Kong SAR, Indonesia, India, Japan, Korea, Malaysia, Mexico, Norway, Peru, Philippines, Poland, Russia, Saudi Arabia, South Africa, Sweden, Switzerland, Thailand, Turkey, UK and the U.S. Forecasts are not a reliable indicator of future performance. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecast, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated.

Fiscal response to COVID-19

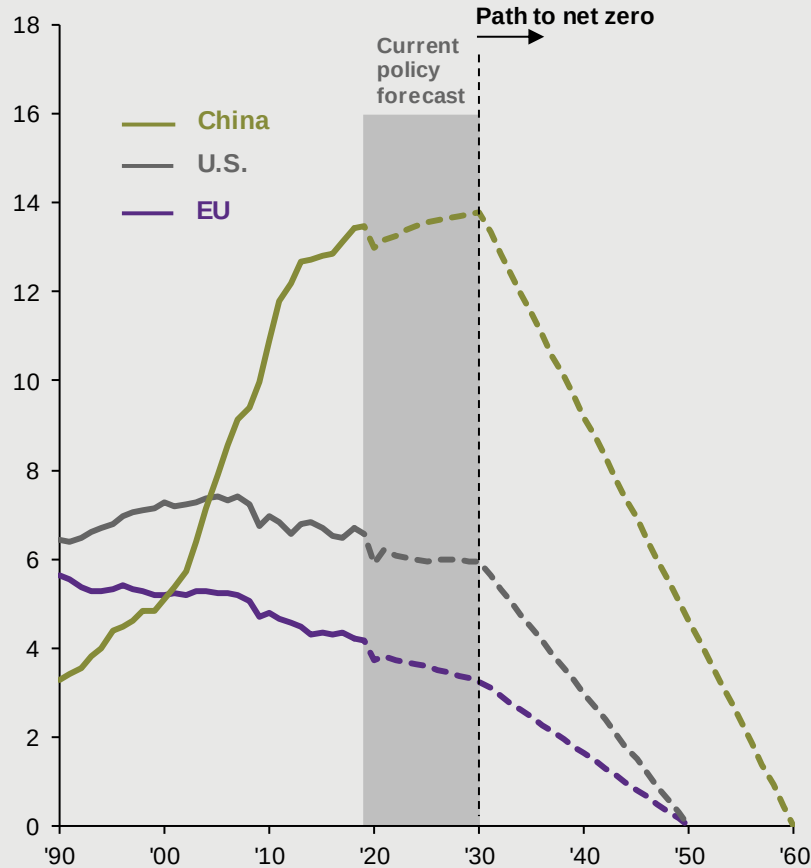
% of GDP



Source: IMF, J.P. Morgan Asset Management.
 Fiscal measures are estimates from the IMF's April 2021 Fiscal Monitor.
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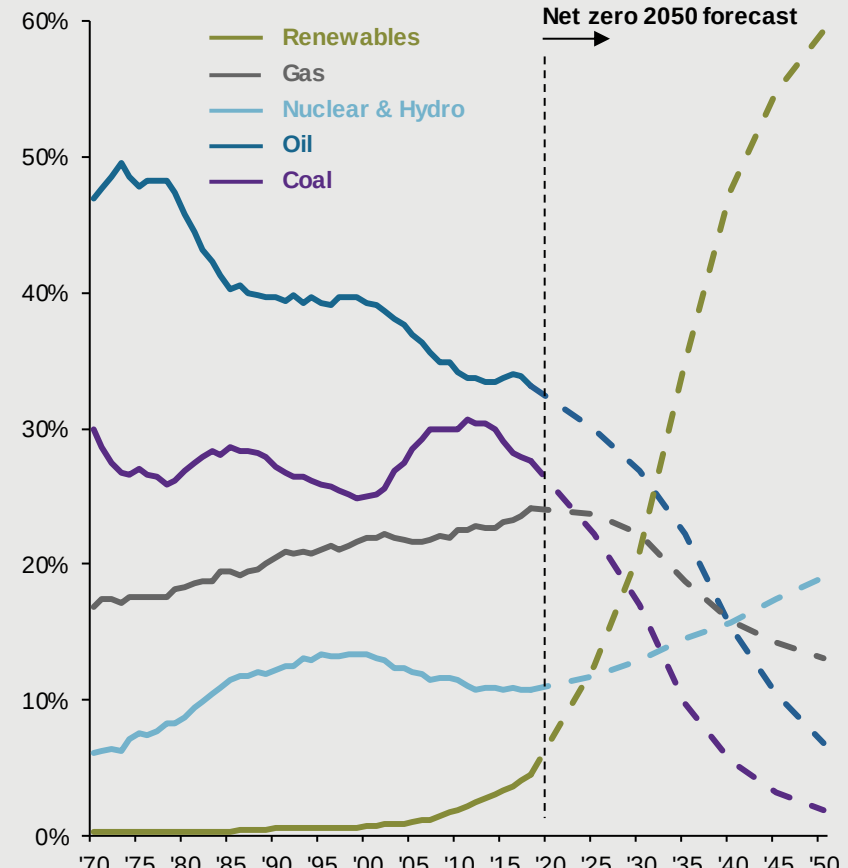
Greenhouse gas emissions targets

Billions of tons per year, CO₂ equivalent



Global energy mix

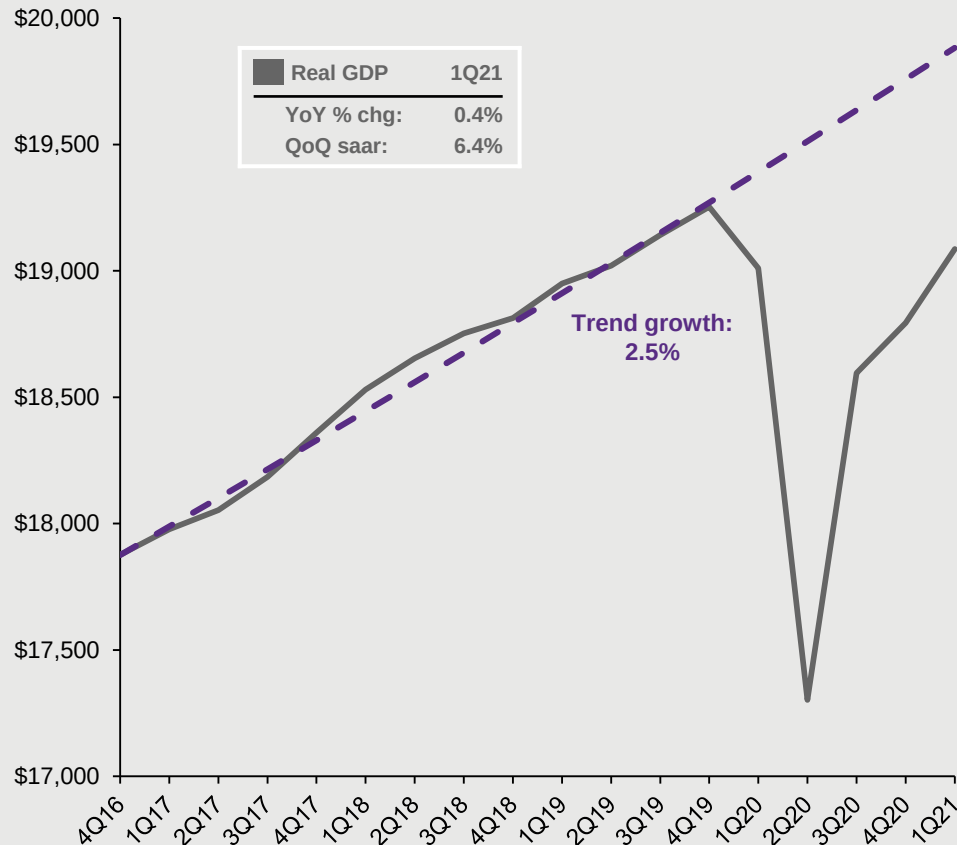
% of primary energy consumption



Source: (Left) ClimateActionTracker, J.P. Morgan Asset Management. (Right) BP Energy Outlook 2020, J.P. Morgan Asset Management. Past performance is not a reliable indicator of current and future results. Forecasts are not a reliable indicator of future performance. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward statements, actual events, results or performance may differ materially from those reflected or contemplated.
Guide to the Markets – Latin America. Data are as of June 30, 2021.

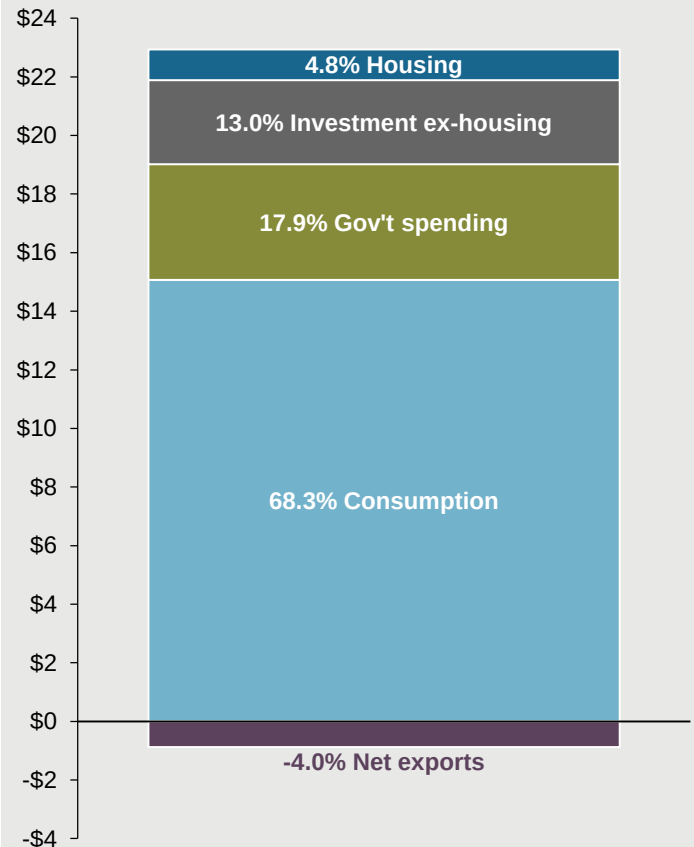
Real GDP

Billions of chained (2012) dollars, seasonally adjusted at annual rates



Components of GDP

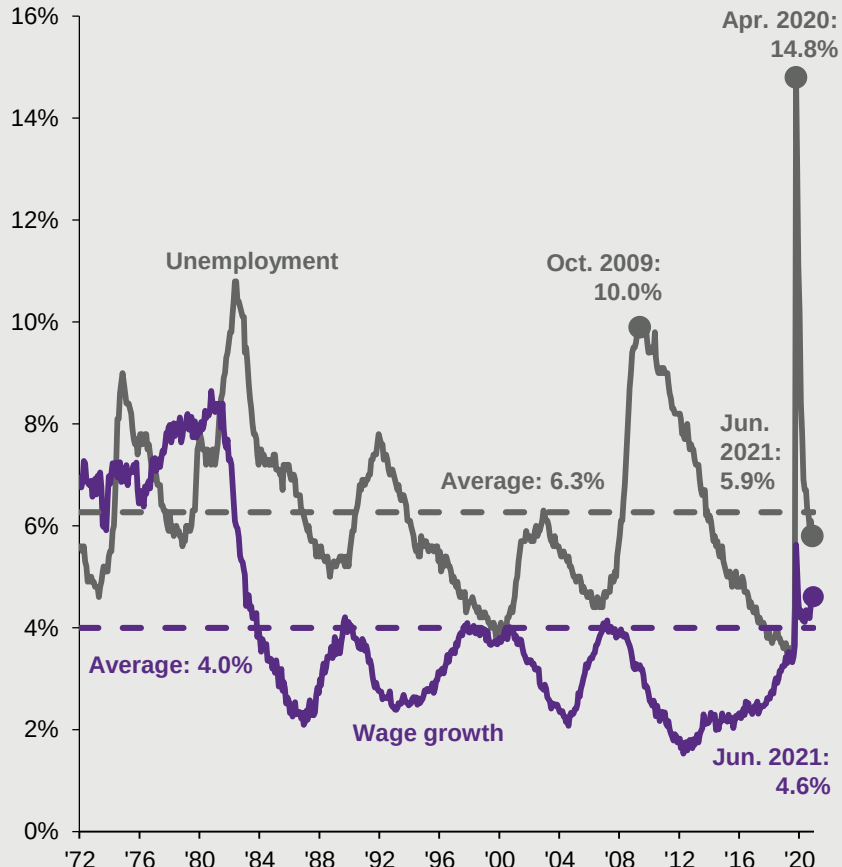
1Q21 nominal GDP, USD trillions



Source: BEA, FactSet, J.P. Morgan Asset Management. Values may not sum to 100% due to rounding. Forecasts are not a reliable indicator of future performance. Guide to the Markets – Latin America. Data are as of June 30, 2021.

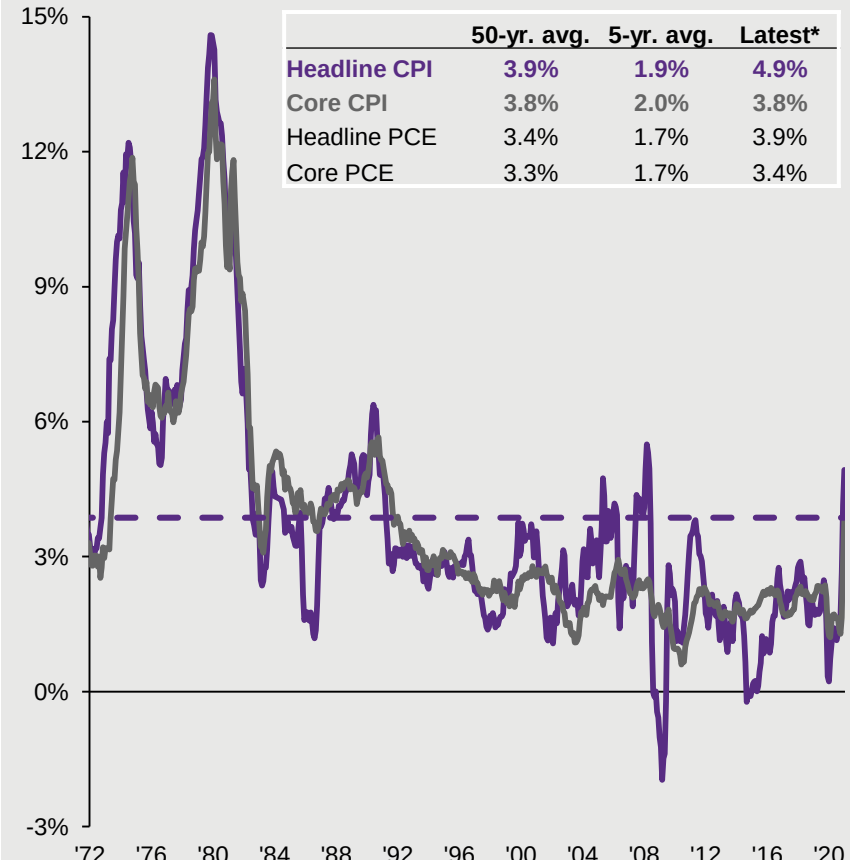
Civilian unemployment rate and annualized y/2y growth

Seasonally adjusted, percent



CPI and core CPI

% change vs. prior year, seasonally adjusted



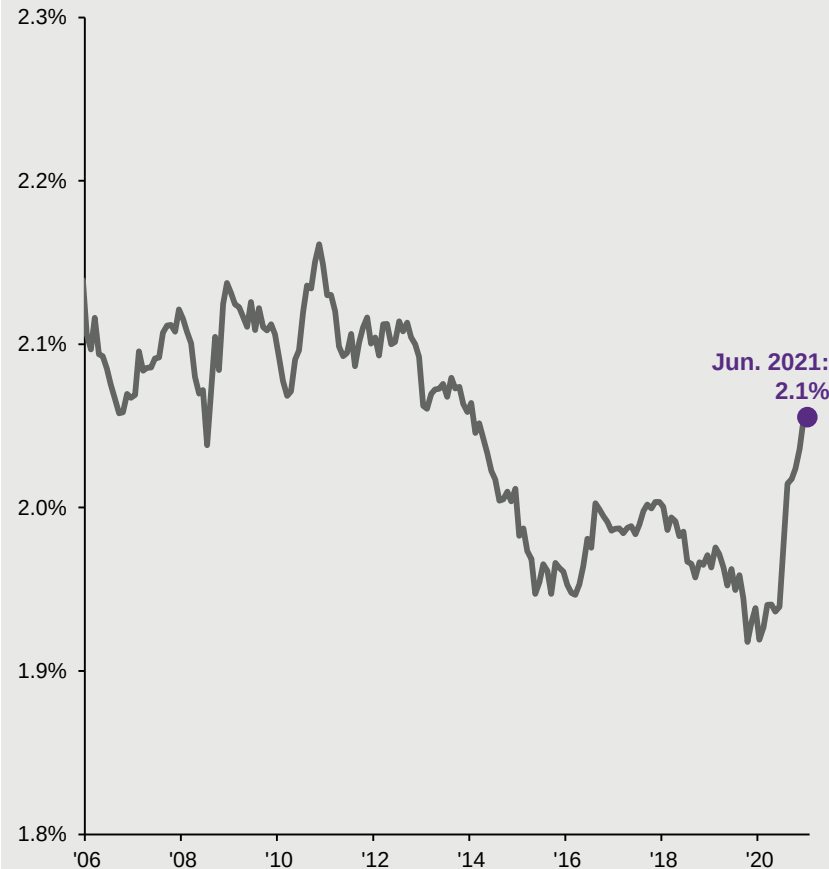
Source: BEA, BLS, J.P. Morgan Asset Management.

CPI used is CPI-U and values shown are % change vs. one year ago. Core CPI is defined as CPI excluding food and energy prices. The Personal Consumption Expenditure (PCE) deflator employs an evolving chain-weighted basket of consumer expenditures instead of the fixed-weight basket used in CPI calculations.*Headline CPI, core CPI, headline PCE and core PCE are from May 2021.

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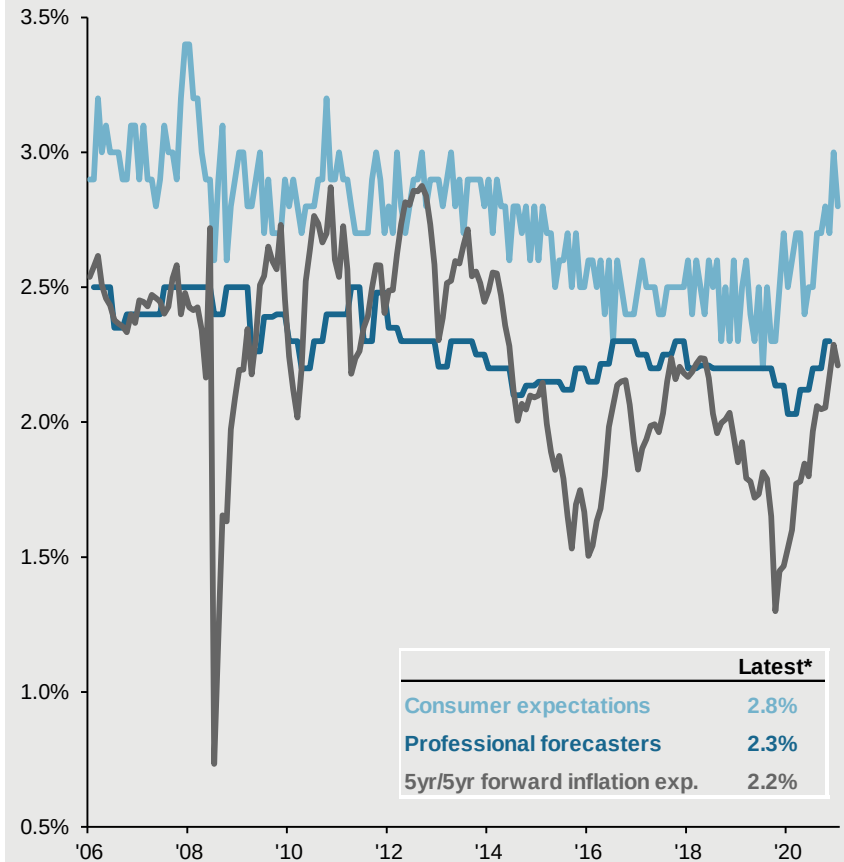
Index of Common Inflation Expectations

% change vs. prior year, not seasonally adjusted



Inflation expectations, next 10 years

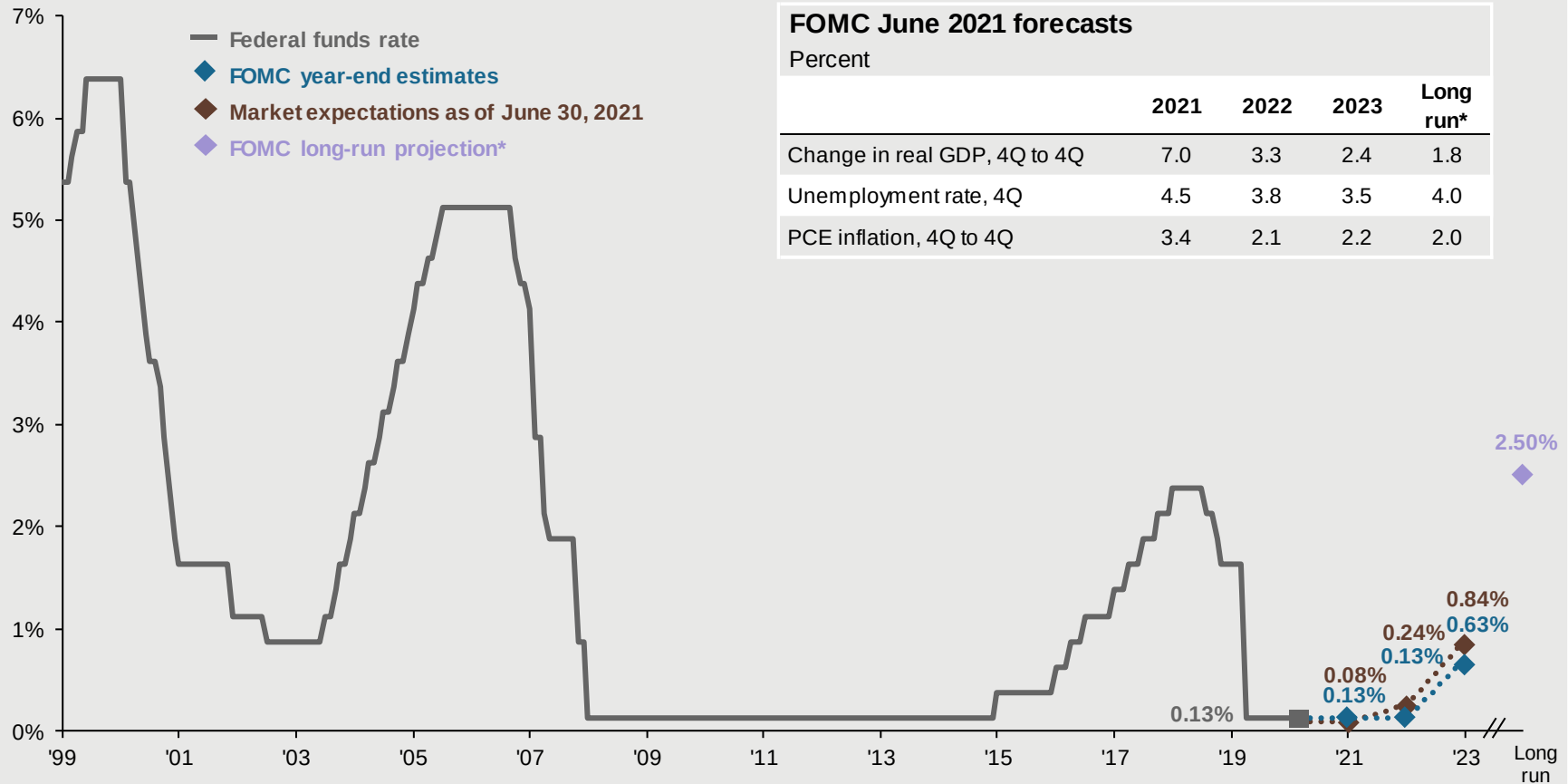
Percent, not seasonally adjusted



Source: Federal Reserve Bank of Philadelphia, University of Michigan, Federal Reserve Bank of St. Louis, Factset, J.P. Morgan Asset Management. The University of Michigan Survey of Consumer asks consumers, "By about what percent per year do you expect prices to go (up/down) on the average, during the next 5 to 10 years?". The Survey of Professional Forecasters is conducted by the Federal Reserve Bank of Philadelphia and reflects the median estimate by professional forecasters of average CPI inflation over the next 10 years. The 5-year, 5-year forward inflation expectation rate measures the expected inflation rate (on average) over the five-year period that begins five years from today. The Index of Common Inflation Expectations is constructed by the Fed using 21 inflation expectation indicators as an index to track broad changes in inflation expectations. *Guide to the Markets – Latin America*. Data are as of June 30, 2021.

Federal funds rate expectations

FOMC and market expectations for the federal funds rate



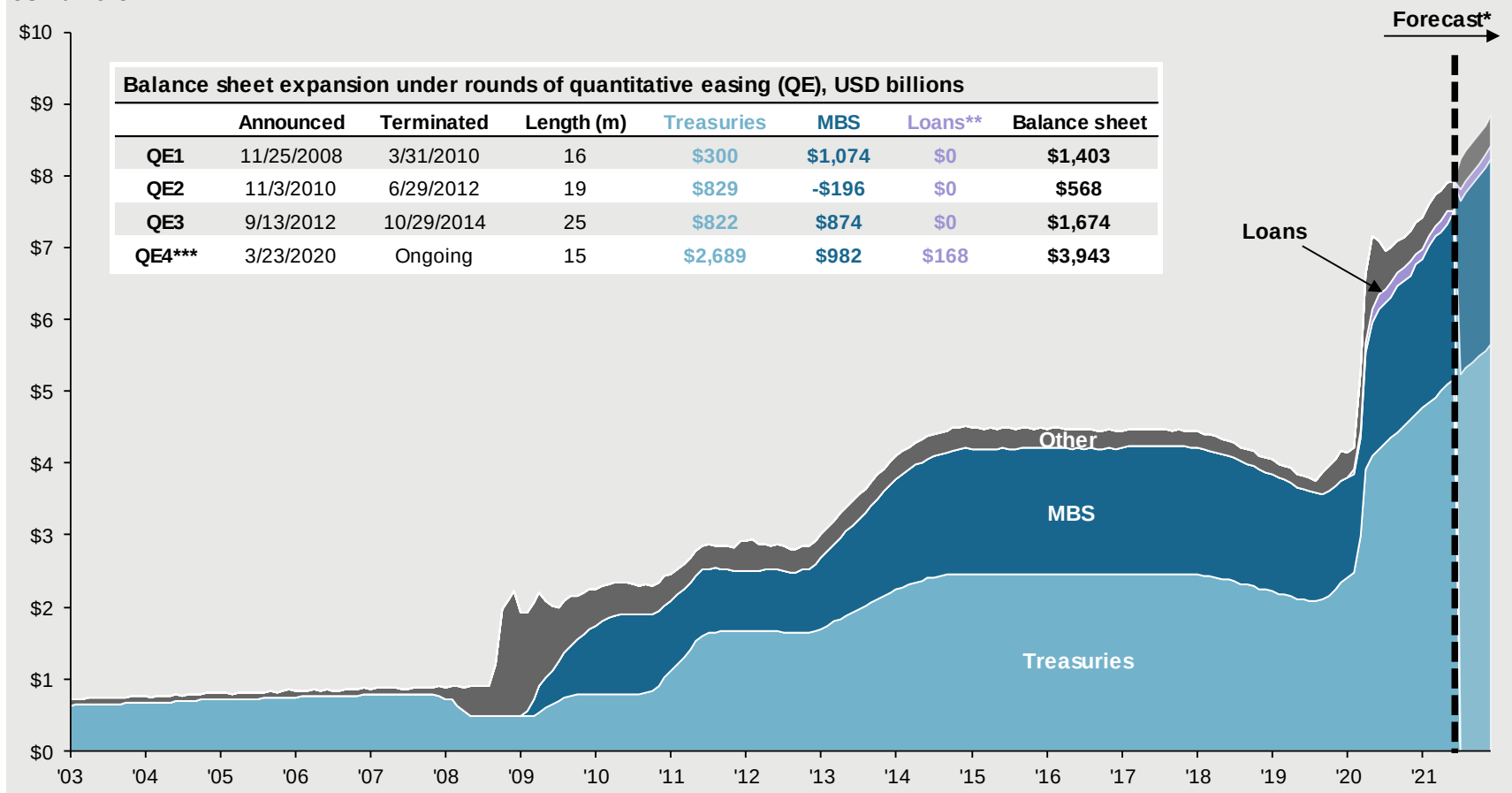
Source: Bloomberg, FactSet, Federal Reserve, J.P. Morgan Asset Management.

Market expectations are based off of the USD Overnight Index Forward Swap rates. *Long-run projections are the rates of growth, unemployment and inflation to which a policymaker expects the economy to converge over the next five to six years in absence of further shocks and under appropriate monetary policy. Forecasts are not a reliable indicator of future performance. Forecasts, projections and other forward looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward statements, actual events, results or performance may differ materially from those reflected or contemplated.

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The Federal Reserve balance sheet

USD trillions

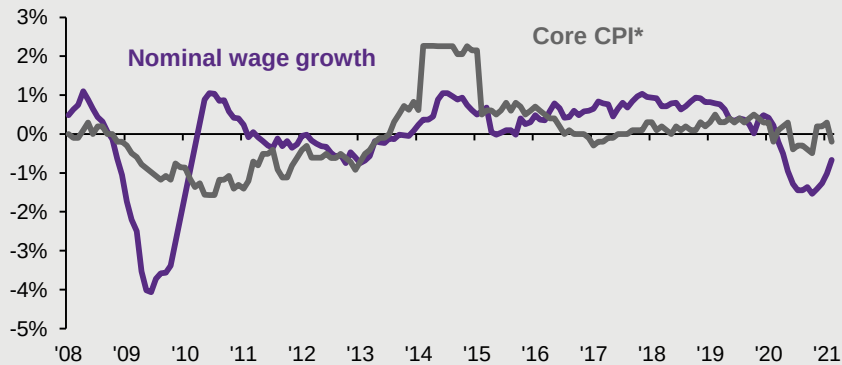


Source: FactSet, Federal Reserve, J.P. Morgan Investment Bank, J.P. Morgan Asset Management.

Currently, the balance sheet contains \$5.2tn in Treasuries and \$2.4tn in MBS. *The end balance sheet forecast assumes the Federal Reserve maintains its current pace of purchases of Treasuries and MBS through December 2021 as suggested in the June 2021 FOMC meeting. **Loans include liquidity and credit extended through corporate credit facilities established in March 2020. Other includes primary, secondary and seasonal loans, repurchase agreements, foreign currency reserves and maiden lane securities. ***QE4 is ongoing and the expansion figures are as of the most recent Wednesday close as reported by the Federal Reserve. Forecasts are not a reliable indicator of future performance. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated. Guide to the Markets – Latin America. Data are as of June 30, 2021.

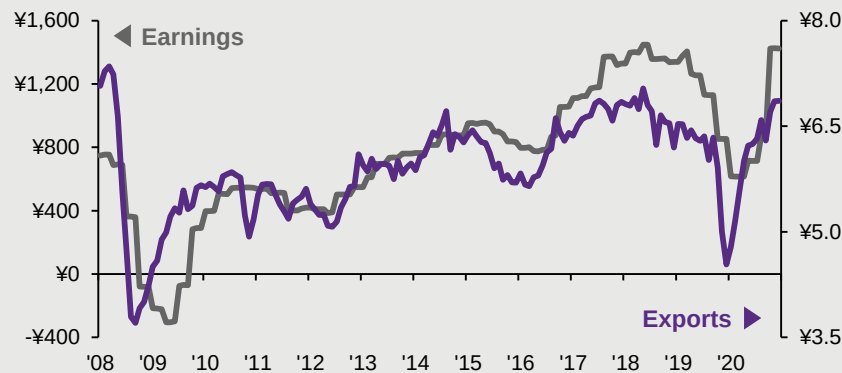
Inflation and wage growth

% change year-over-year, 6-month moving average

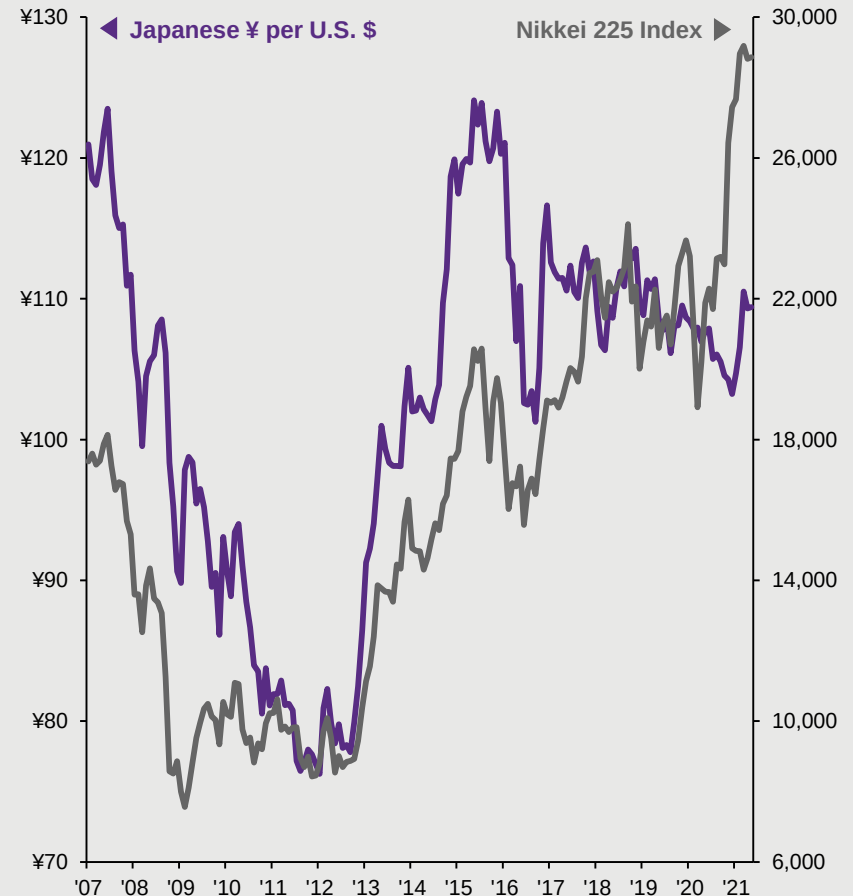


Earnings and exports

Nikkei 225 trailing EPS, nominal exports, trillion yen



Japanese yen and the stock market



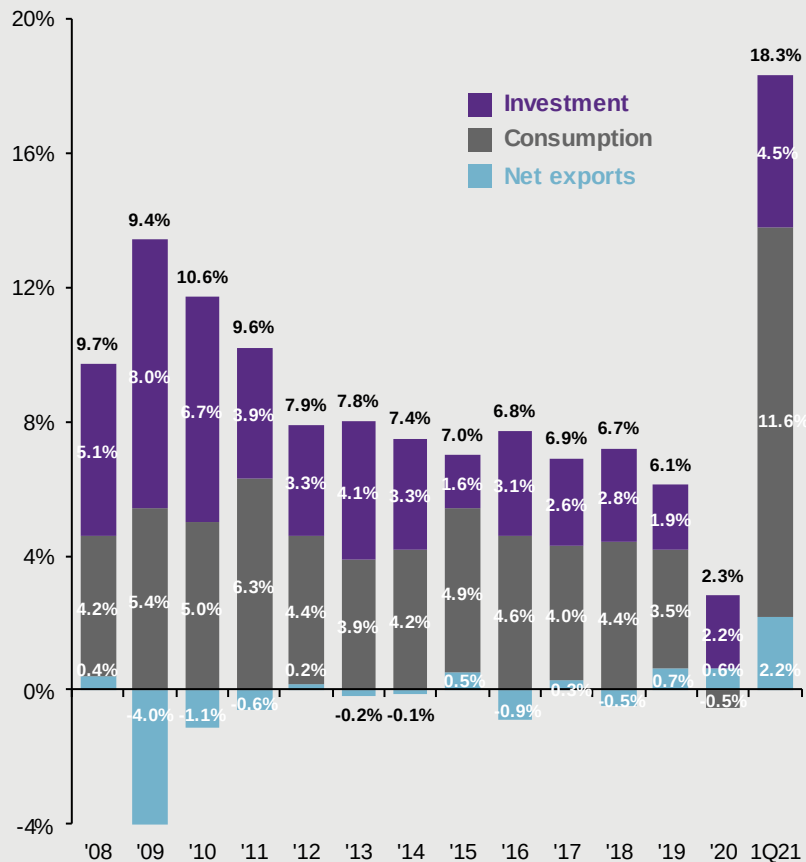
Source: J.P. Morgan Asset Management; (Top left) FactSet, Japan Ministry of Health, Labor and Welfare, Japan Ministry of Internal Affairs & Communications; (Bottom left and right) Nikkei; (Bottom left) Customs Japan.

*Core CPI is defined as CPI excluding food and energy.

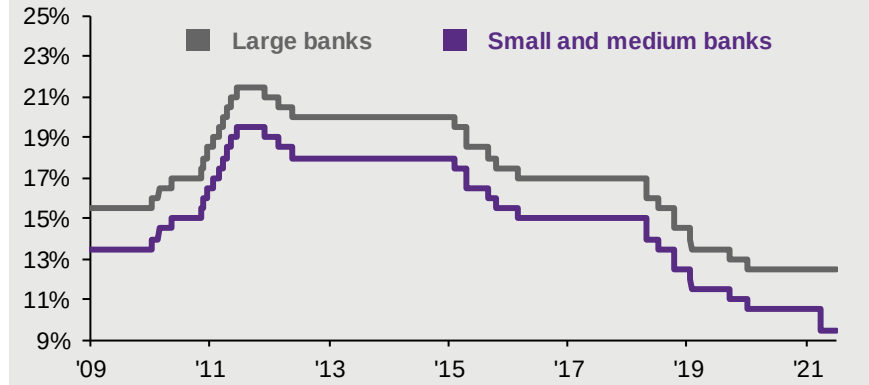
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China real GDP contribution

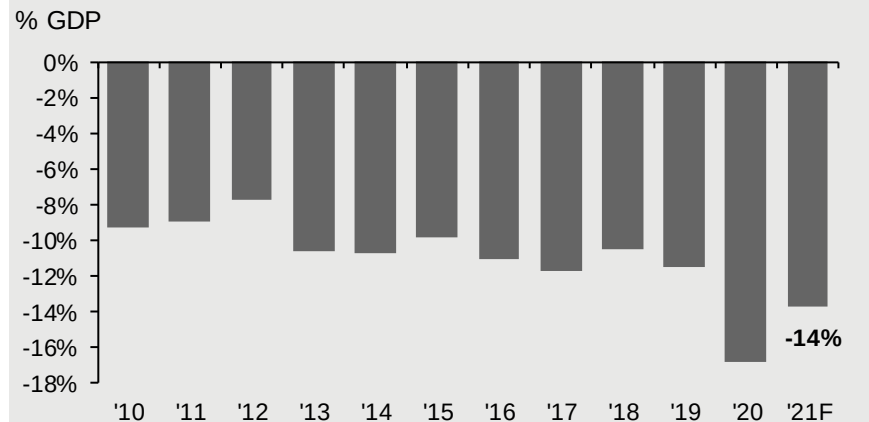
Year-over-year % change



Monetary stimulus: Reserve requirement ratio



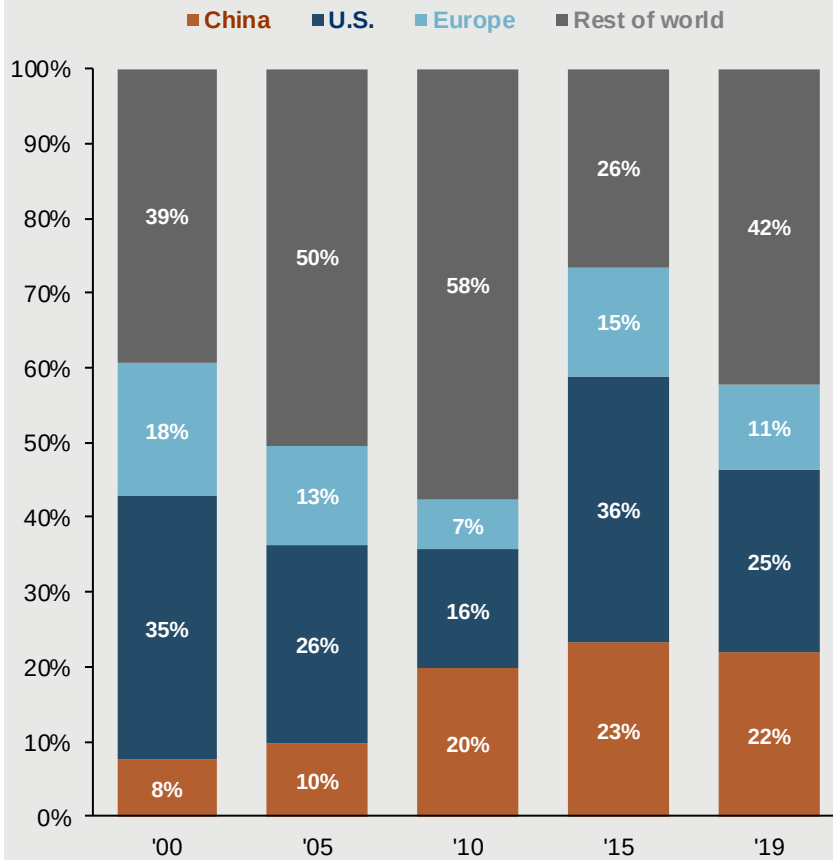
Fiscal stimulus: Fiscal deficit*



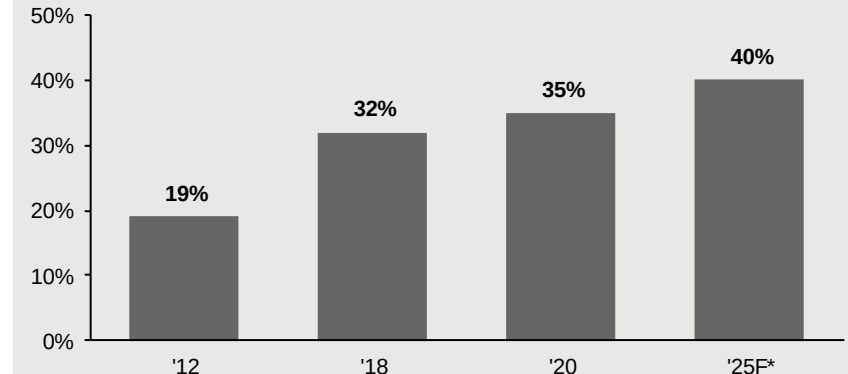
Source: FactSet, J.P. Morgan Asset Management; (Left) CEIC; (Top right) People's Bank of China; (Bottom right) China Agriculture Development Bank, China Development Bank, Ministry of Finance, People's Bank of China, Wind. *The fiscal deficit is a J.P. Morgan Global Economic Research estimate of the augmented fiscal deficit. It measures the aggregate resources controlled by the government and used to support economic growth. It consists of the official budgetary deficit of the central and local governments, and additional funding raised and spent by local governments through Local Government Financing Vehicles (LGFVs) and various government-guided funds, whose activities are considered quasi-fiscal. Large banks are six major banks in China, including Industrial and Commercial Bank of China, Agricultural Bank of China, Bank of China, China Construction Bank, Bank of Communications, Postal Savings Bank of China. The other banks are categorized as small and medium-sized banks. PBoC sets favorable required reserve ratio (RRR) for banks that have met specific criteria, such as loans to small and medium-sized enterprises and agricultural sectors. These measures have significantly brought down the actual RRR for banks. According to the PBoC, in May 2021, the realized weighted average RRR was 9.4%. Forecasts are not a reliable indicator of future performance. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward statements, actual events, results or performance may differ materially from those reflected or contemplated. Guide to the Markets - Latin America. Data are as of June 30, 2021.

Contribution to global consumption growth

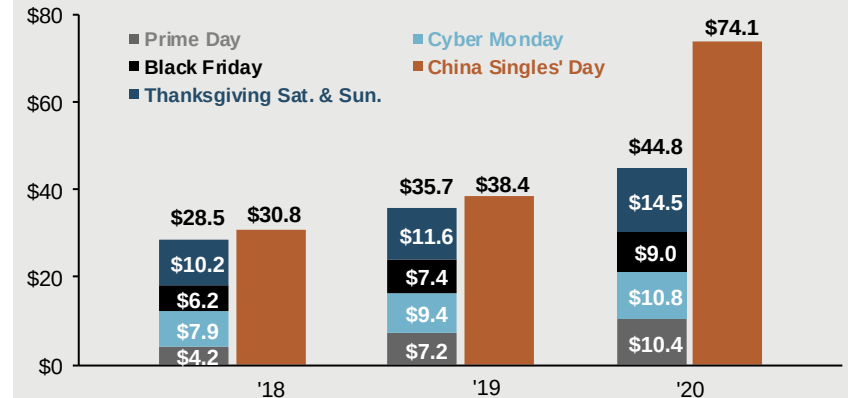
Household consumption, constant U.S. dollars

**China's contribution to global spending on luxury goods**

Chinese consumers, % of total, both domestic and overseas spending

**China's Singles' Day vs. U.S. holiday sales**

Gross merchandise value, U.S. dollar, billions



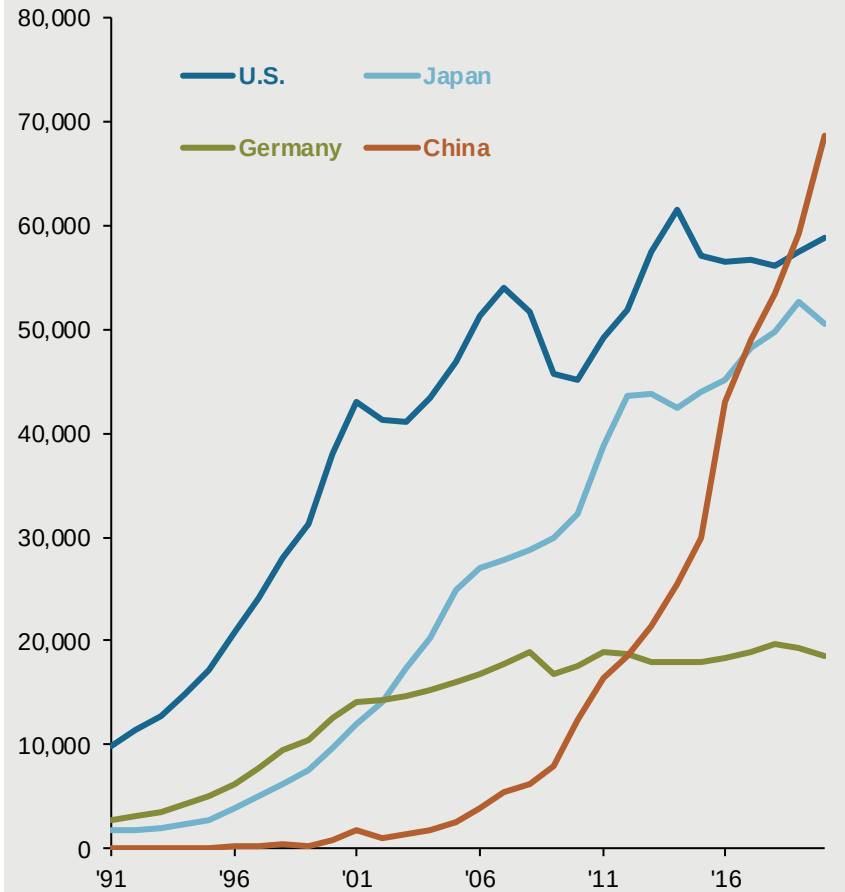
Source: (Left) World Bank; (Top right) McKinsey & Company "China Luxury Report 2019."; (Bottom right) Adobe Analytics, Alibaba, Amazon; J.P. Morgan Asset Management.

*Forecast based on McKinsey & Company "China Luxury Report 2019." Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward statements, actual events, results or performance may differ materially from those reflected or contemplated.

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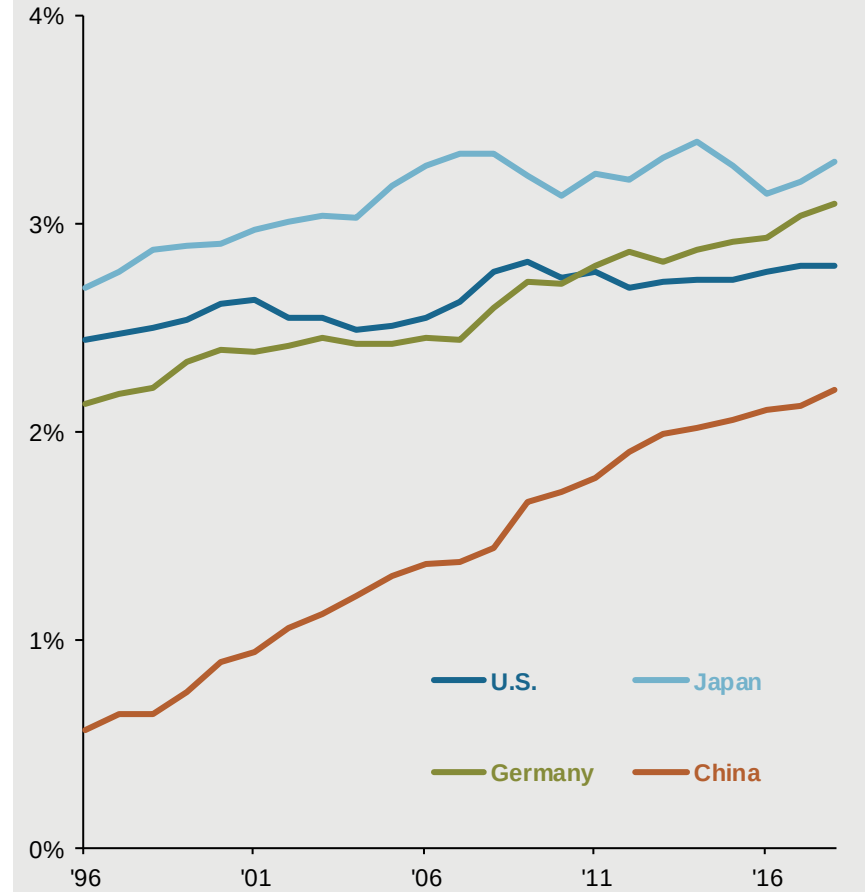
Patent applications

of patent filings* at World Intellectual Property Org., 1996-2020



Research and development

Expenditures as % of GDP, 1996-2018

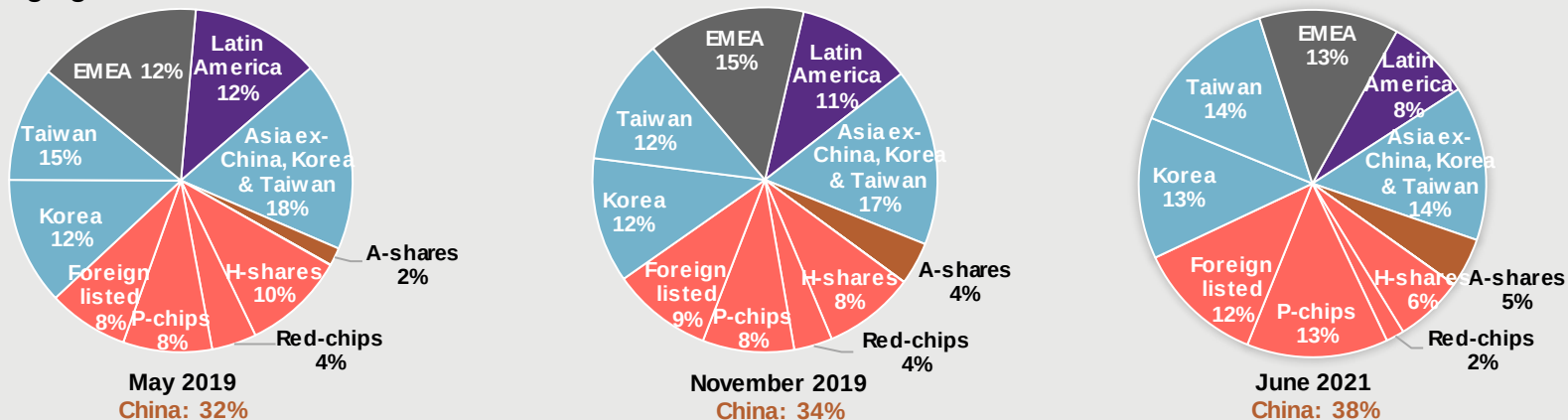


Source: J.P. Morgan Asset Management; (Left) Wind, World Intellectual Property Organization; (Right) World Bank.

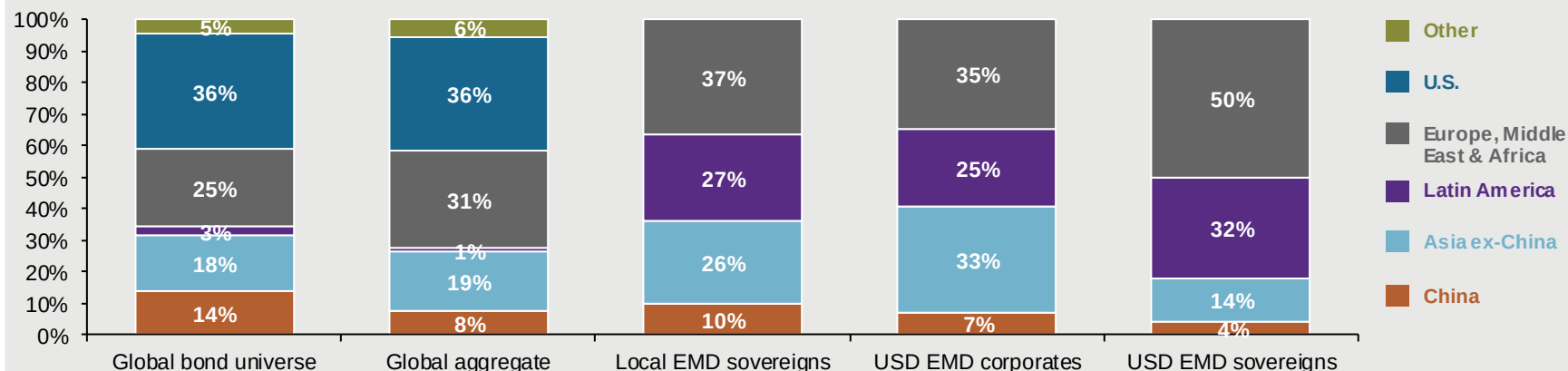
*Patent filings include Patent Cooperation Treaty provides international patent protection.

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MSCI Emerging Markets Index: Inclusion of China A-shares



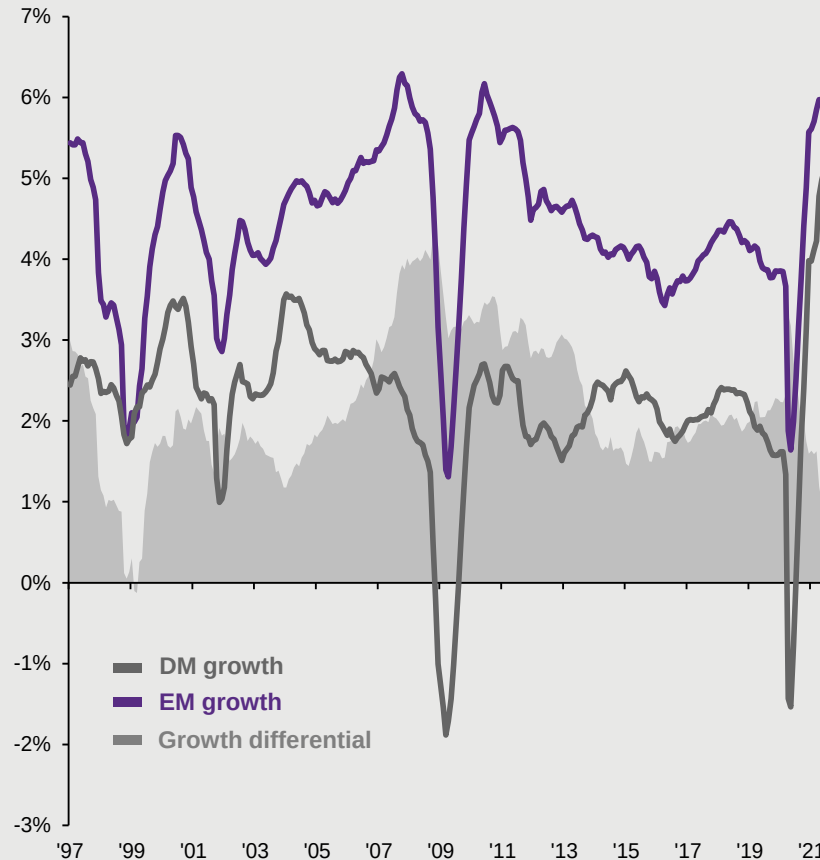
Weight of China in bond universe and bond indices



Source: Bloomberg/Barclays, FactSet, J.P. Morgan Economic Research, J.P. Morgan Asset Management, MSCI.
 (Top) Foreign listed includes American Depositary Receipts (ADRs). (Bottom) Based on J.P. Morgan CEMBI Broad Index (USD EMD corporates), J.P. Morgan EMBIG Broad Diversified Index (USD EMD sovereigns), J.P. Morgan GBI-EM Global Diversified Index (Local EMD sovereigns), Bloomberg Barclays Global Aggregate (Global Aggregate).
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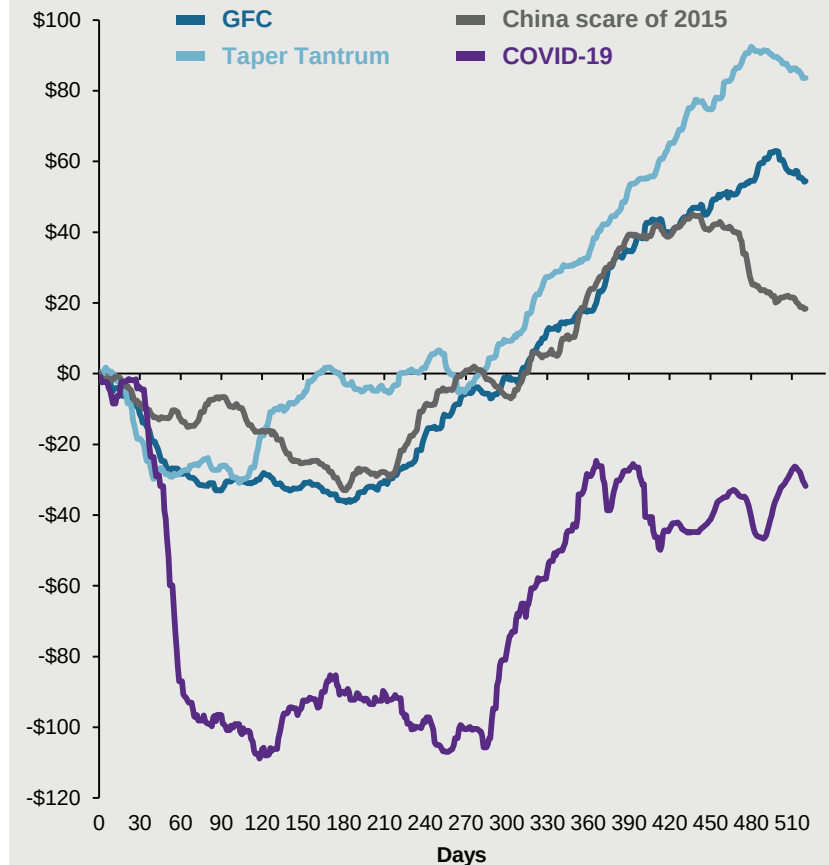
EM vs. DM growth

Monthly, consensus expectations for GDP growth in 12 months



Net non-resident purchases of EM stocks and bonds

Cumulative total and days since each date, billions of USD



Source: J.P. Morgan Asset Management; (Left) Consensus Economics; (Right) Institute of International Finance (IIF).

"Growth differential" is consensus estimates for EM growth in the next 12 months minus consensus estimates for DM growth in the next 12 months, provided by Consensus Economics.

Non-resident portfolio flows to EM during GFC, Taper Tantrum, China scare and COVID-19 start on 9/8/2008, 5/17/2013, 7/26/2015 and 1/21/2020, respectively.

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Latin America fixed income: Returns

GTM - Latin America | 42

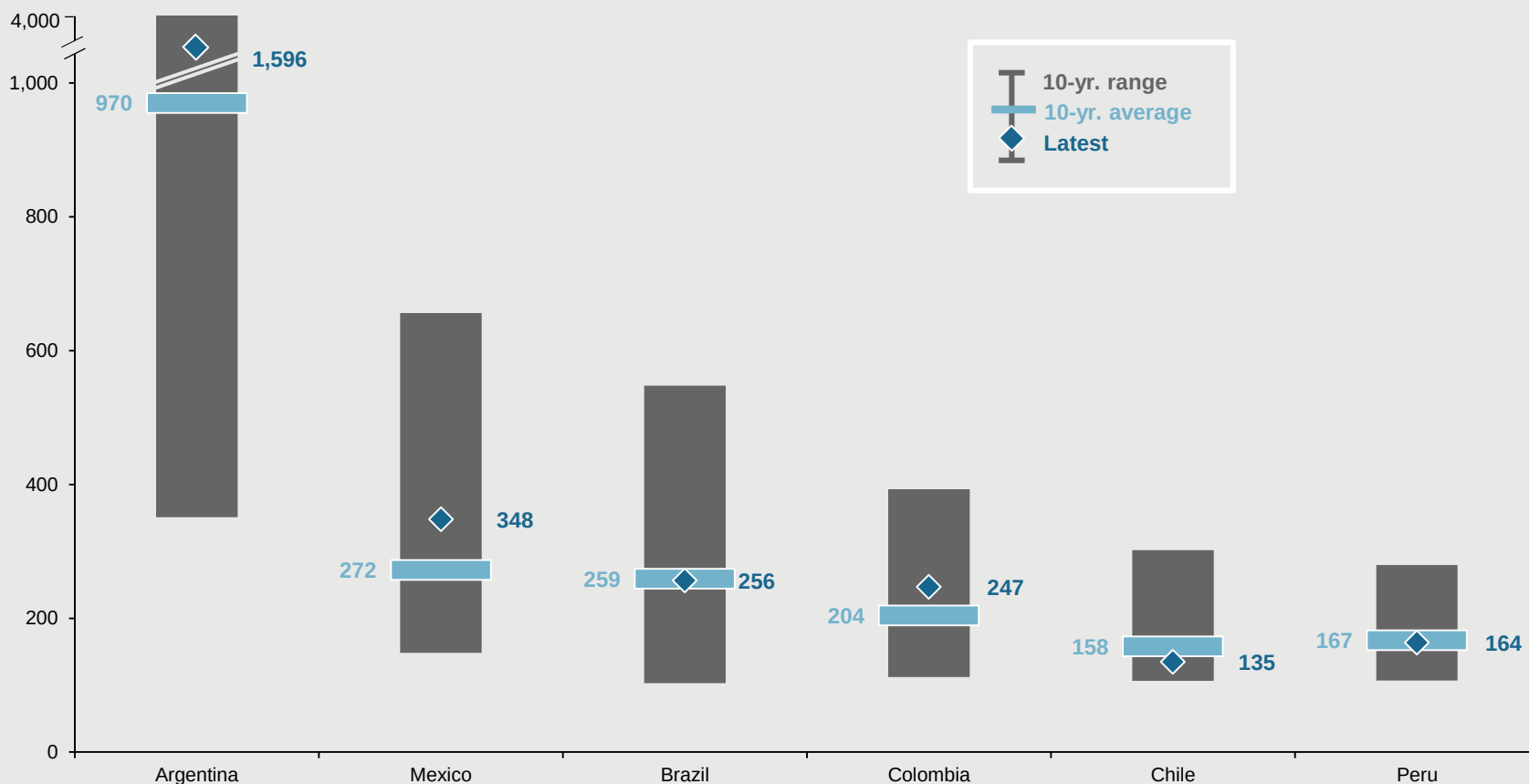
Fixed income

											2011-2020	
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD	Cum.	Ann.
Venezuela	Venezuela	Argentina	Argentina	Argentina	Venezuela	Argentina	Brazil	Mexico	Chile	Venezuela	Peru	Peru
18.0%	47.0%	19.0%	19.1%	26.6%	53.2%	15.7%	0.8%	20.8%	12.8%	13.4%	109.1%	7.7%
Peru	USD EMD	USD EMD	Peru	Venezuela	Brazil	Brazil	Peru	Colombia	Peru	USD EMD	Colombia	Colombia
17.1%	17.4%	- 5.3%	13.3%	16.9%	20.6%	13.2%	- 1.6%	19.4%	9.2%	- 0.7%	91.5%	6.7%
Colombia	Peru	Chile	Mexico	USD EMD	Argentina	Mexico	Chile	Peru	Brazil	Mexico	Brazil	Brazil
14.6%	17.0%	- 6.6%	10.9%	1.2%	15.4%	11.9%	- 2.7%	18.7%	9.0%	- 1.6%	86.6%	6.4%
Mexico	Latin America	Mexico	Colombia	Latin America	Latin America	Peru	Colombia	Brazil	Colombia	Brazil	Chile	Chile
14.3%	16.0%	- 7.1%	10.5%	- 2.0%	13.5%	11.5%	- 2.8%	16.4%	8.8%	- 2.2%	84.1%	6.3%
Brazil	Brazil	Latin America	Chile	Chile	Colombia	Latin America	USD EMD	USD EMD	Mexico	Latin America	USD EMD	USD EMD
13.8%	12.5%	- 7.7%	10.5%	- 2.8%	13.1%	11.4%	- 4.3%	15.0%	7.3%	- 2.3%	82.8%	6.2%
Latin America	Colombia	Colombia	Brazil	Peru	Chile	Colombia	Latin America	Chile	USD EMD	Chile	Mexico	Mexico
12.3%	12.3%	- 8.8%	8.5%	- 3.5%	10.5%	11.1%	- 5.8%	14.7%	5.3%	- 3.3%	80.7%	6.1%
Chile	Mexico	Peru	Latin America	Mexico	Peru	USD EMD	Mexico	Latin America	Latin America	Peru	Latin America	Latin America
10.7%	11.7%	- 11.1%	8.1%	- 5.5%	10.4%	10.3%	- 6.3%	14.1%	3.3%	- 6.6%	74.8%	5.7%
USD EMD	Chile	Brazil	USD EMD	Colombia	USD EMD	Chile	Venezuela	Argentina	Argentina	Colombia	Argentina	Argentina
7.3%	8.7%	- 11.2%	7.4%	- 7.0%	10.2%	9.6%	- 20.3%	- 23.6%	- 23.8%	- 7.2%	2.8%	0.3%
Argentina	Argentina	Venezuela	Venezuela	Brazil	Mexico	Venezuela	Argentina	Venezuela	Venezuela	Argentina	Venezuela	Venezuela
- 12.4%	8.2%	- 12.3%	- 28.7%	- 13.4%	6.9%	- 34.4%	- 22.2%	- 55.1%	- 31.6%	- 10.5%	- 68.8%	- 11.0%

Source: J.P. Morgan Global Economic Research, J.P. Morgan Asset Management.
 All returns represent EMBI Global Diversified regional and country subindices, which are USD-denominated sovereign bond indices.
 All returns are unhedged and shown in USD. Past performance is not indicative of future returns.
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EMD spreads by country

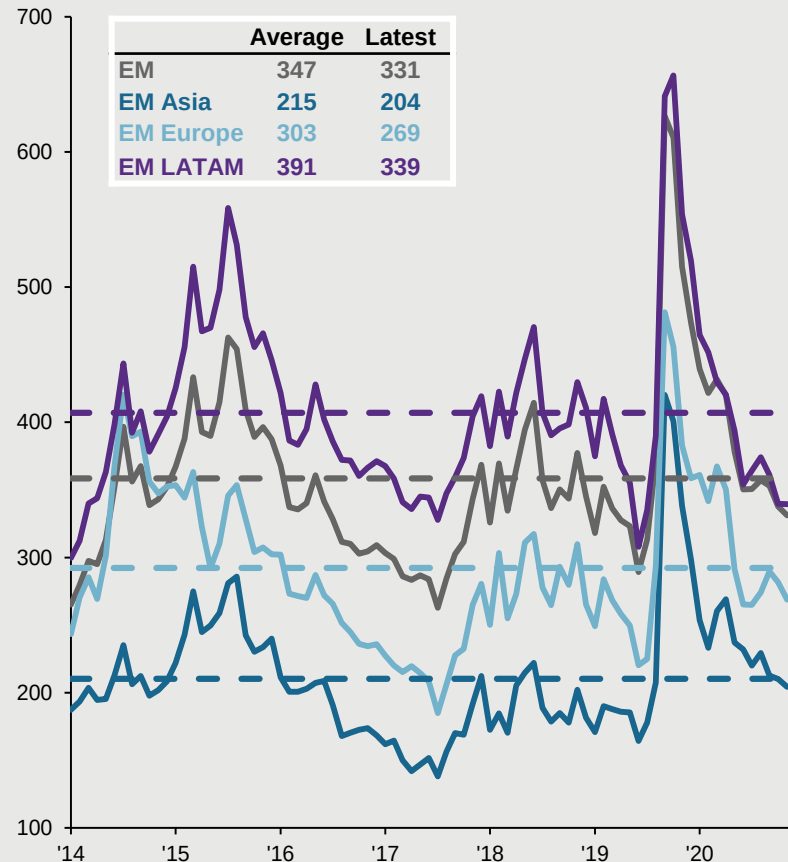
USD-denominated sovereign debt, spread-to-worst



Source: J.P. Morgan Global Economic Research, J.P. Morgan Asset Management.
All spreads represent EMBI Global Diversified country subindices, which are USD-denominated sovereign bond indices.
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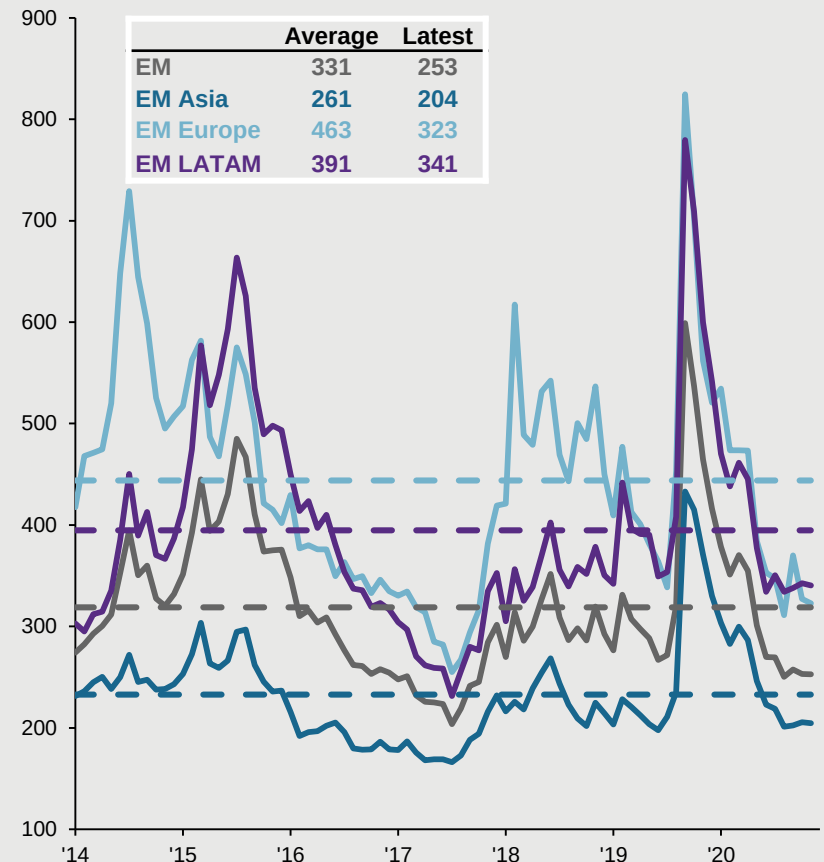
Regional EMD spreads: Sovereigns

USD-denominated sovereign debt, basis points over Treasuries



Regional EMD spreads: Corporates

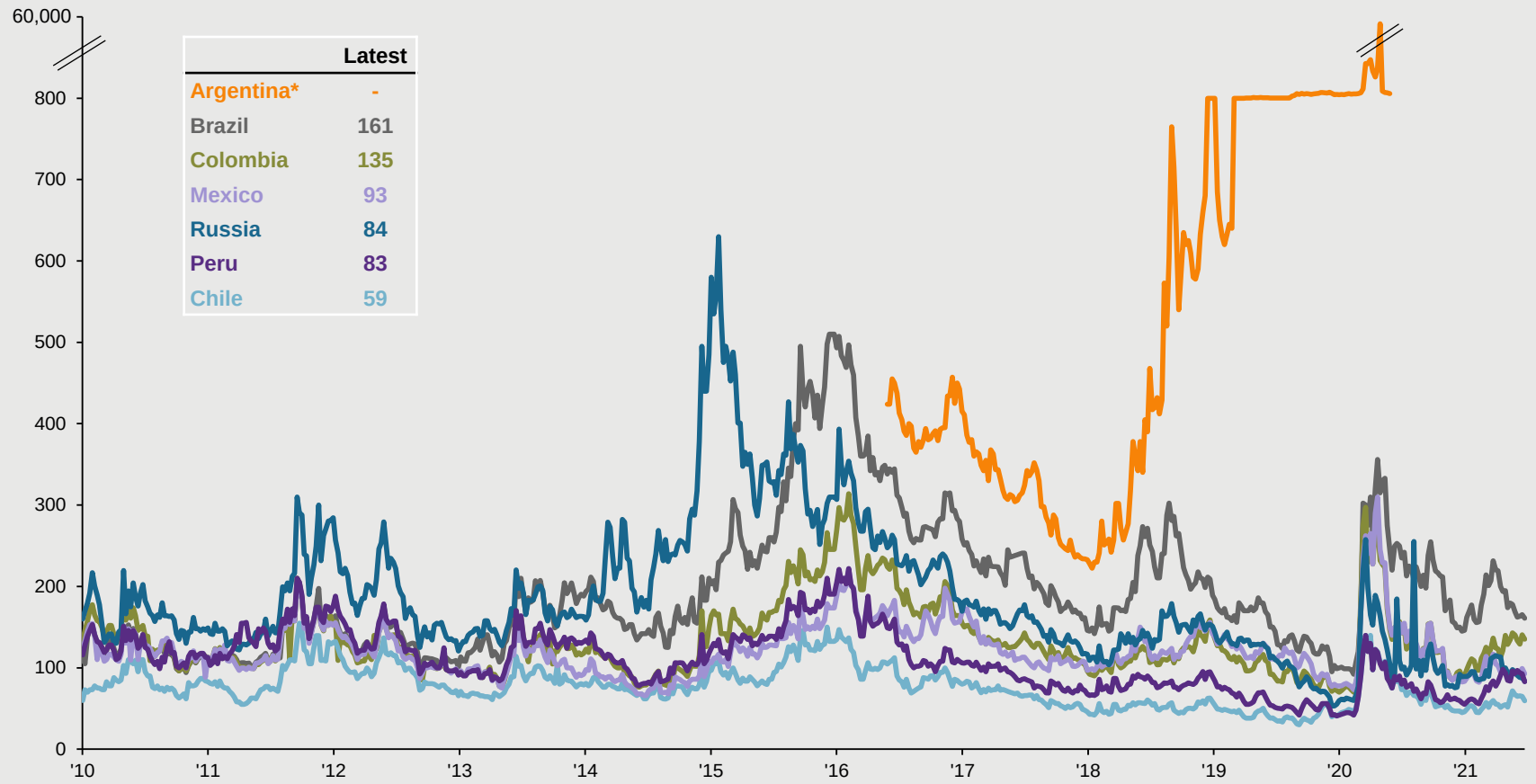
USD-denominated corporate debt, basis points over Treasuries



Source: J.P. Morgan Global Economic Research, J.P. Morgan Asset Management.
 EM sovereigns represent the Emerging Market Bond Index Global Diversified (EMBI Global Diversified) Index and subindices and EM corporates represent the Corporate Emerging Market Bond (CEMBI Broad Diversified) Index and subindices.
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Credit default swap spreads

Yield, basis points, 5-yr. senior corporate credit, USD



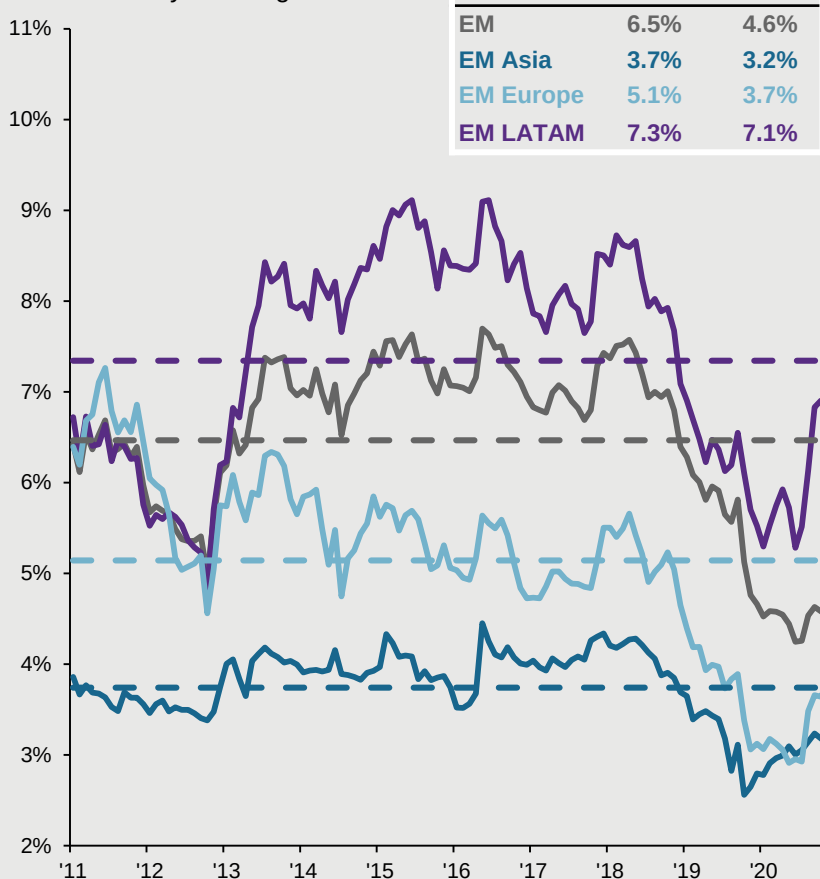
Source: Bloomberg Finance L.P., J.P. Morgan Asset Management.

*Argentina is only shown between May 2016 and May 2020 due to its default in 2014 and in 2020.

Guide to the Markets - Latin America. Data are as of June 30, 2021.

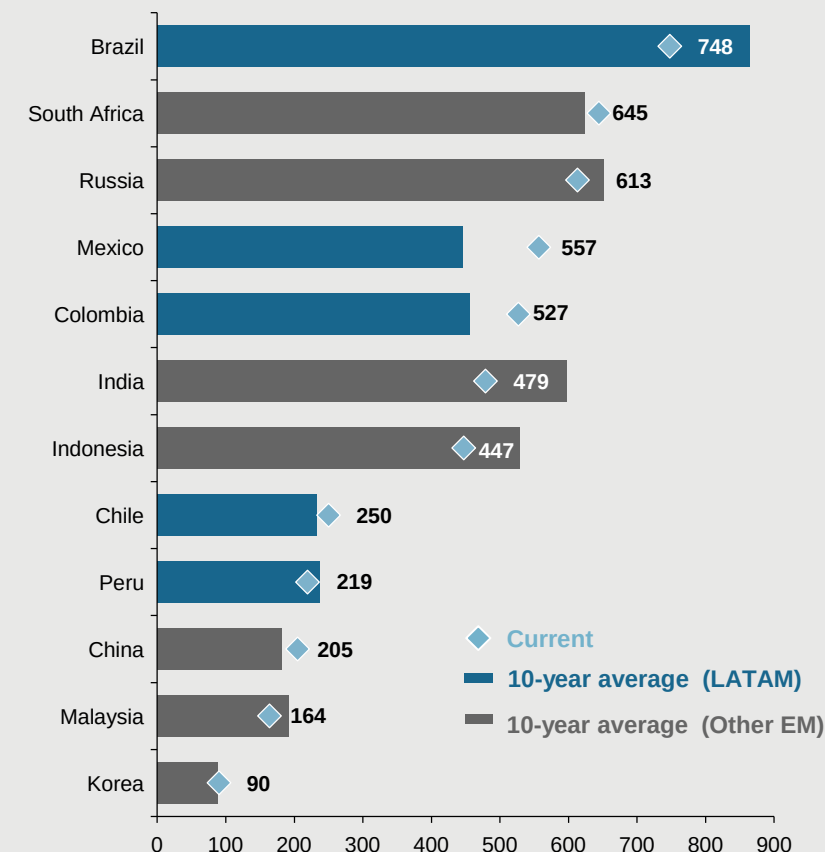
Regional EMD yields

Local currency sovereign debt



Global – U.S. Treasuries 5-year spread

Basis points, local currency debt, as of June 2021



Source: J.P. Morgan Asset Management; (Left) J.P. Morgan Global Economic Research; (Right) Bloomberg Finance L.P.

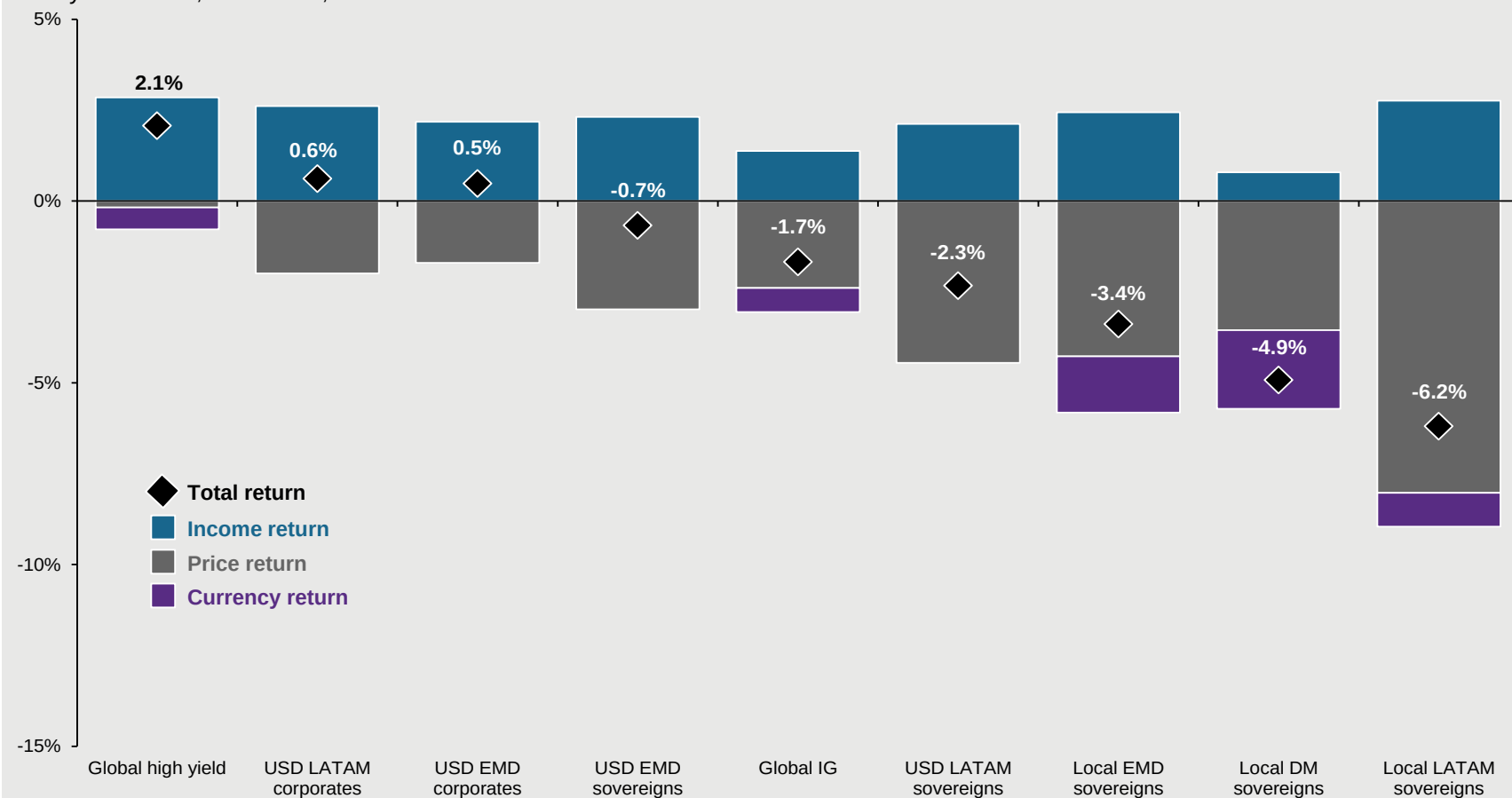
EM local currency debt is represented by GBI-EM index and regional subindices.

Global spreads are calculated from the mid-yield to maturity for the generic 5-year government bond, as provided by Bloomberg, except for Brazil and South Africa, which are the spot yield-to-maturity provided by FactSet.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

Fixed income return composition

2021 year-to-date, total return, USD



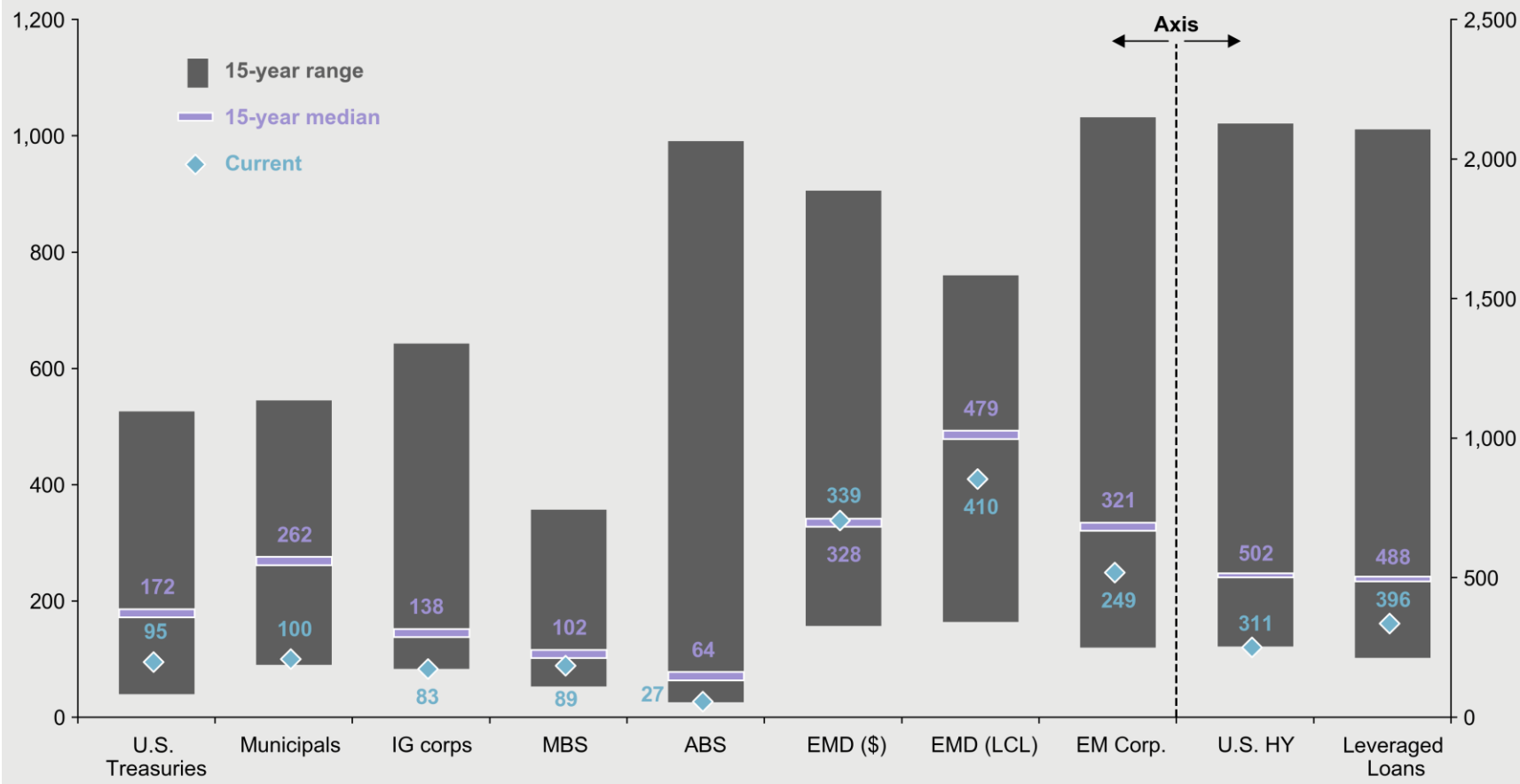
Source: J.P. Morgan Economic Research, J.P. Morgan Asset Management.

Based on J.P. Morgan CEMBI Broad Index (USD EMD corporates), J.P. Morgan EMBIG Broad Diversified Index (USD EMD), J.P. Morgan Domestic High Yield Index (U.S. high yield), J.P. Morgan GBI-EM Global Diversified Index (Local EMD), J.P. Morgan GBI-DM Diversified Index (Local DM sovereigns), J.P. Morgan CEMBI Broad Diversified Latin America Index (Latin America corporates), J.P. Morgan EMBIG Diversified Latin America Index (USD Latin America sovereigns), J.P. Morgan GBI-EM Global Diversified Latin Region Index (Local Latin America sovereigns), Bloomberg Barclays Global High Yield (Global high yield) and Bloomberg Barclays Global Credit – Corporate – Investment Grade (Global IG). Past performance is not indicative of future returns.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

Spread-to-worst across fixed income sectors

Basis points, past 15 years, weekly



Source: Barclays, Bloomberg, FactSet, J.P. Morgan Credit Research, J.P. Morgan Asset Management. Indices used are Barclays except for emerging market debt and leveraged loans: EMD (\$): J.P. Morgan EMIGLOBAL Diversified Index; EMD (LCL): J.P. Morgan GBI-EM Global Diversified Index; EM Corp.: J.P. Morgan CEMBI Broad Diversified; Leveraged loans: JPM Leveraged Loan Index. Spread-to-worst indicated is the difference between the yield-to-worst of a bond and yield-to-worst of a U.S. Treasury security with a similar duration. All sectors shown are spread-to-worst except for Treasuries and Municipals, which are based on yield-to-worst, and Leveraged loans, which are based on spread to 3Y takeout. EM (LCL) spread-to-worst is calculated using the index yield less the YTM on the 5-year U.S. Treasury bellwether index. *Guide to the Markets – Latin America*. Data are as of June 30, 2021.

Correlation of fixed income sectors vs. S&P 500 and yields

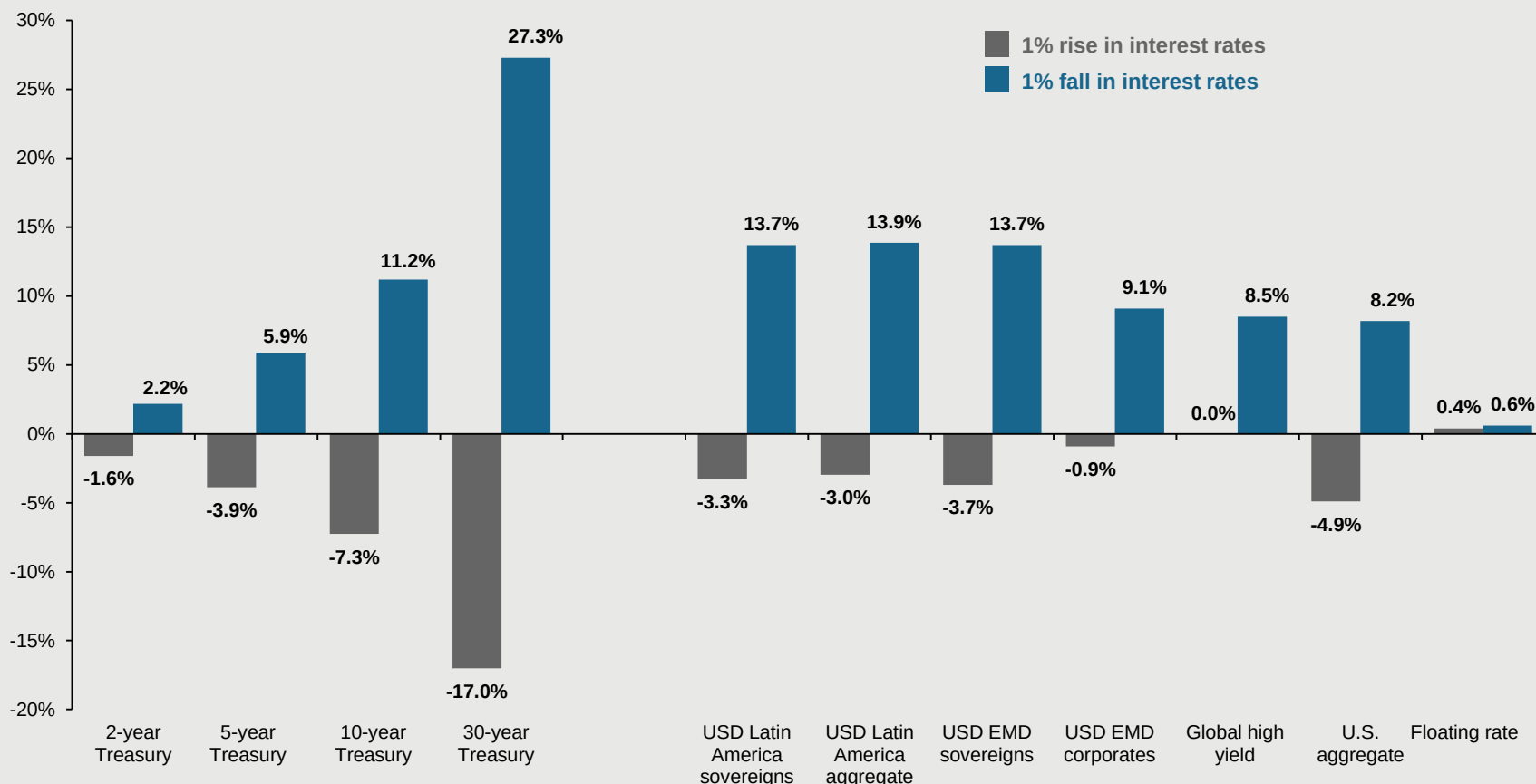
Hedge adjusted yield, last 12 months, 10-year correlations, quarterly



Source: Bloomberg, Barclays, NCREIF, MSCI, FactSet, ICE, J.P. Morgan Asset Management. Fixed income shown above are represented by Bloomberg indices except for EMD and ABS – U.S. Aggregate; MBS: U.S. Aggregate Securitized - MBS; U.S. corps: U.S. Corporates; Munis: Muni Bond 10-year; U.S. HY: Corporate High Yield; TIPS: Treasury Inflation-Protected Securities (TIPS); Floating Rate: U.S. Floating Rate; Convertibles: U.S. Convertibles Composite; ABS: J.P. Morgan ABS Index; EMD (\$): J.P. Morgan EMBIG Diversified Index; EMD (LCL): J.P. Morgan GBI EM Global Diversified Index; EM Corp: J.P. Morgan CEMBI Broad Diversified Index; Euro Corp.: Euro Aggregate Corporate Index; Euro HY: Pan-European High Yield Index; U.S. Real Estate: NCREIF Property Index – ODCE; Europe Real Estate: Market weighted-avg. of MSCI Global Property Fund Indices - U.K. & Cont. Europe; APAC Real Estate: MSCI Global Property Index - Asia-Pacific; Global infra.: MSCI Global Quarterly Infrastructure Asset Index (equal weighted blend); U.S. Direct Lending: Cliffwater Direct Lending Index; Convertibles yield is based on the U.S. portion of the Bloomberg Barclays Global Convertibles. Country yields are represented by the global aggregate for each country. Yield and return information based on bellwethers for Treasury securities. Correlations are based on quarterly return over the past 10 years through 6/30/2021, except Direct Lending, Infra, and U.S., Europe, and APAC Real Estate, which are through 12/31/2020. International fixed income sector correlations are in hedged U.S. dollar returns except EMD local index. Yields for all indices are hedged using three-month LIBOR rates between the U.S. and international LIBOR and are a 12-month average. Alts yields are through 12/31/2020. U.S. Real Estate yield is calculated using the MSCI Global Property Fund Index -North America.

Impact of a 1% rise or fall in interest rates

Total return, assumes a parallel shift in the yield curve and spreads are maintained



Source: Barclays, Bloomberg Finance L.P., FactSet, J.P. Morgan Asset Management. Returns shown are total returns. 2-30 year Treasury, Global high yield, Floating rate (BBB), USD EMD corporates, USD Latin America aggregate, USD Latin America sovereigns, USD EMD sovereigns and U.S. aggregate are based on Bloomberg Barclays US Treasury indices, Bloomberg Barclays Global High Yield, Bloomberg Barclays U.S. Floating Rate Notes (BBB), Bloomberg Barclays Emerging Markets USD Aggregate – Corporate, Bloomberg Barclays Emerging Markets USD Aggregate – Latin America, Bloomberg Barclays Emerging Markets USD Sovereigns – Latin America, Bloomberg Barclays Emerging Markets USD Aggregate – Sovereign and Bloomberg Barclays U.S. Aggregate, respectively. For illustrative purposes only. Change in bond price is calculated using both duration and convexity. Guide to the Markets – Latin America. Data are as of June 30, 2021.

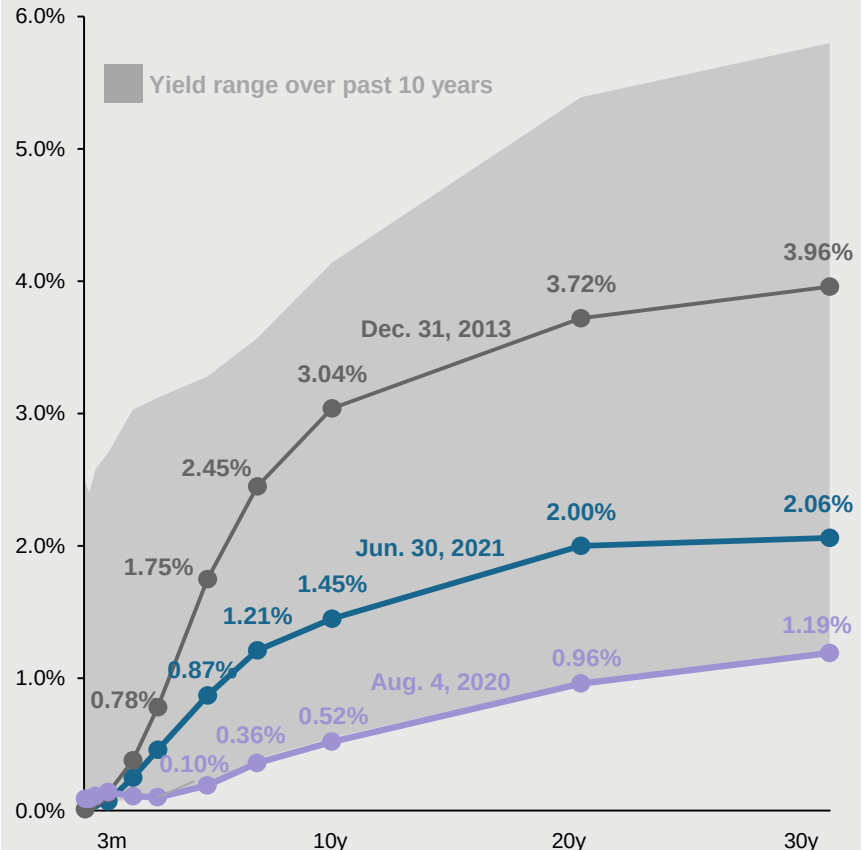
U.S. and global bond yields

Yield to maturity



U.S. Treasury yield curve

Yield to maturity

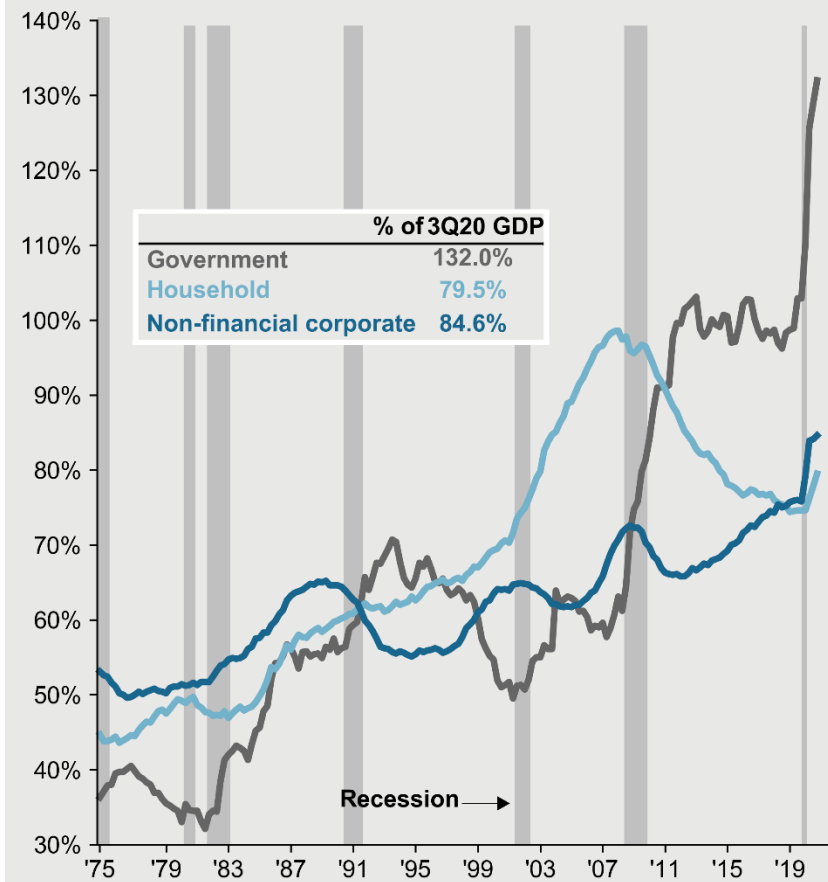


Source: Bloomberg, FactSet, Federal Reserve, J.P. Morgan Asset Management. Forecasts are not a reliable indicator of future performance. Positive yield does not imply positive return.

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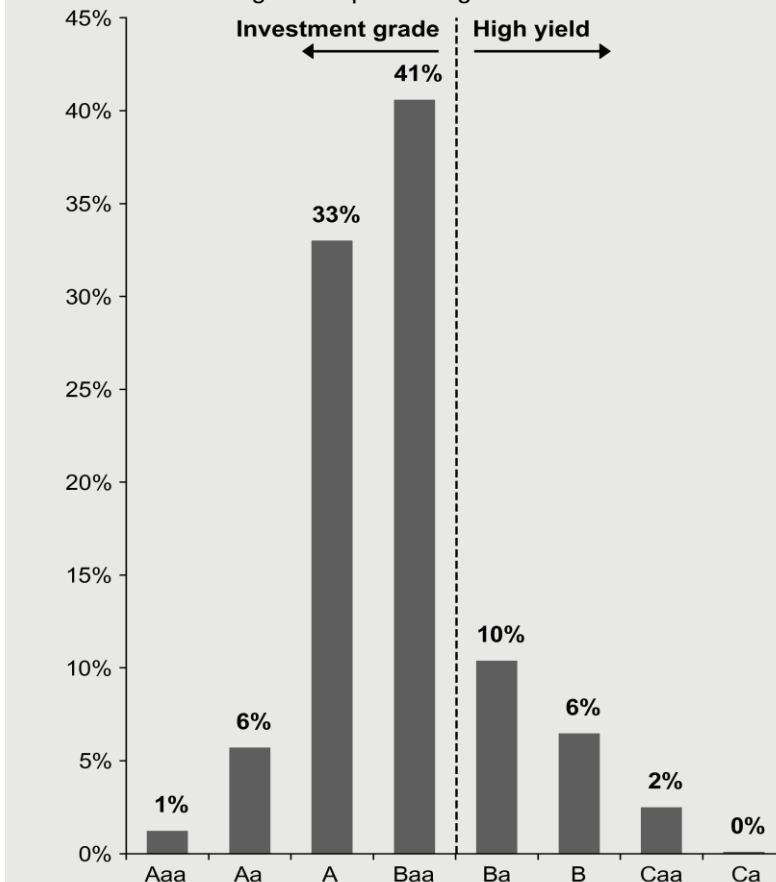
U.S. debt to GDP ratios

Percentage of nominal GDP



U.S. corporate credit markets by rating

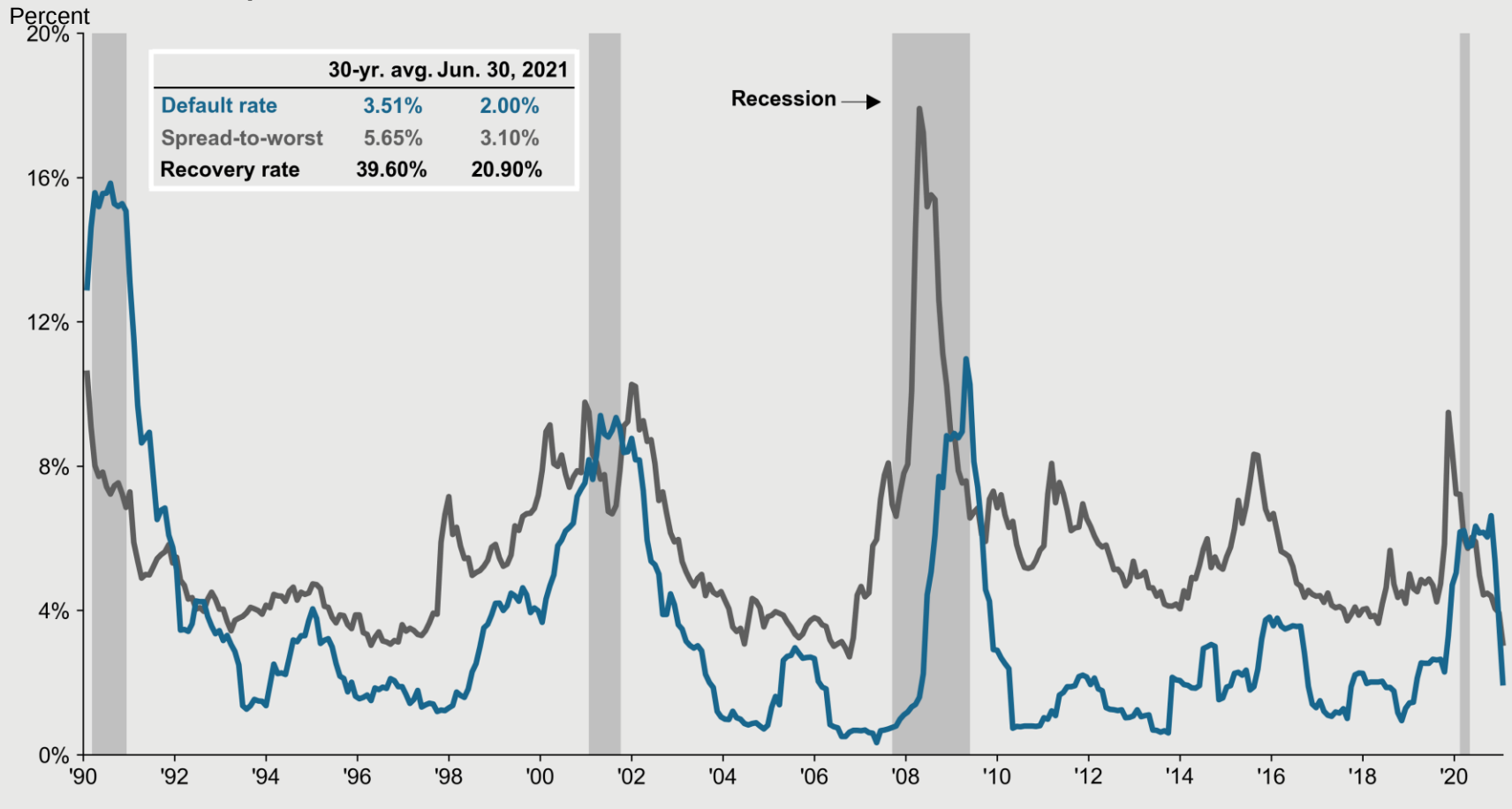
Based on Bloomberg IG Corp. and High Yield indices



Source: FactSet, J.P. Morgan Asset Management; (Left) Bank for International Settlements (BIS); (Right) Barclays, Bloomberg. General government debt is comprised of core debt instruments that include currency and deposits, loans and debt securities. All debt values are shown at market value. Distribution of corporate credit is based on the current market value of the Bloomberg US Corporate Investment Grade and U.S. High Yield subindices.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

Default rate and spread-to-worst



Source: J.P. Morgan Global Economic Research, J.P. Morgan Asset Management. Default rates are defined as the par value percentage of the total market trading at or below 50% of par value and include any Chapter 11 filing, prepackaged filing or missed interest payments. The default rate is an LTM figure (last 12 months) and tracks the % of defaults over the period. Recovery rates are based on the price of the defaulted bonds or loans 30 days post the default date. Default and recovery rates are as of May 2021 due to data availability. Spread-to-worst indicated are the difference between the yield-to-worst of a bond and yield-to-worst of a U.S. Treasury security with a similar duration. High yield is represented by the J.P. Morgan Domestic High Yield Index. *Guide to the Markets – Latin America*. Data are as of June 30, 2021.

Latin America equity returns

GTM - Latin America | 54

Equities

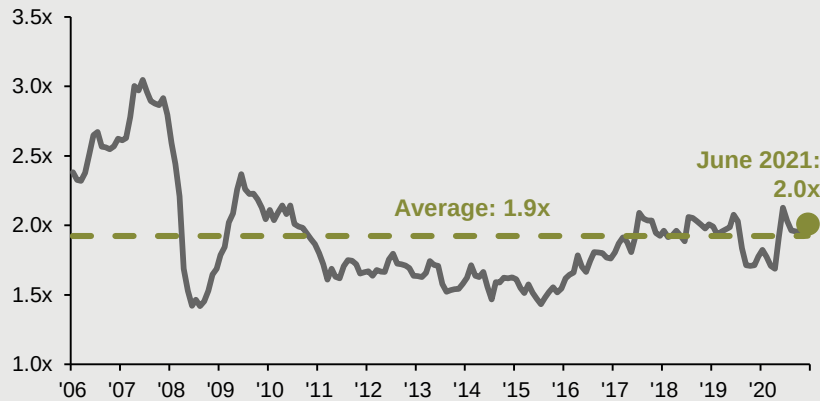
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD	2011 - 2020 Ann.	Vol.
	Colombia - 5.0%	Colombia 35.9%	Argentina 66.2%	Argentina 19.2%	Argentina - 0.4%	Brazil 66.7%	Argentina 73.6%	Peru 1.6%	Colombia 31.2%	EM Asia 28.8%	Mexico 13.9%	EM Asia 6.9%	Argentina 43.9%
	Mexico - 12.1%	Mexico 29.1%	EM Asia 2.3%	Peru 10.5%	EM Asia - 9.5%	Peru 55.6%	Chile 43.6%	Brazil - 0.1%	Brazil 26.7%	EM Equity 18.7%	Brazil 10.7%	EM Equity 4.0%	Peru 25.4%
	EM Asia - 17.2%	EM Asia 21.2%	Mexico 0.2%	EM Asia 5.3%	Mexico - 14.2%	Latin America 31.5%	EM Asia 43.3%	Latin America - 6.2%	EM Asia 19.7%	Argentina 12.7%	Latin America 9.0%	Peru 0.9%	Brazil 23.3%
	EM Equity - 18.2%	Peru 20.2%	EM Equity - 2.3%	EM Equity - 1.8%	EM Equity - 14.6%	Colombia 26.5%	Peru 38.4%	Colombia - 11.4%	EM Equity 18.9%	Mexico - 1.6%	EM Equity 7.6%	Mexico - 1.4%	Chile 23.2%
	Latin America - 19.1%	EM Equity 18.6%	Latin America - 13.2%	Mexico - 9.2%	Chile - 16.8%	Chile 16.8%	EM Equity 37.8%	EM Equity - 14.2%	Latin America 17.9%	Chile - 4.1%	EM Asia 6.1%	Latin America - 3.2%	Colombia 21.5%
	Chile - 20.0%	Latin America 8.9%	Brazil - 15.8%	Latin America - 12.0%	Latin America - 30.8%	EM Equity 11.6%	Brazil 24.5%	EM Asia - 15.2%	Mexico 11.8%	Peru - 4.7%	Chile 1.0%	Brazil - 3.3%	EM Equity 18.9%
	Peru - 21.4%	Chile 8.3%	Colombia - 21.1%	Chile - 12.2%	Peru - 31.7%	EM Asia 6.5%	Latin America 24.2%	Mexico - 15.3%	Peru 4.8%	Latin America - 13.5%	Argentina - 0.5%	Colombia - 4.0%	Latin America 18.5%
	Brazil - 21.6%	Brazil 0.3%	Chile - 21.4%	Brazil - 13.7%	Brazil - 41.2%	Argentina 5.1%	Colombia 16.3%	Chile - 18.9%	Chile - 16.0%	Colombia - 18.5%	Peru - 18.5%	Argentina - 4.8%	EM Asia 15.3%
	Argentina - 38.9%	Argentina - 37.1%	Peru - 29.8%	Colombia - 19.8%	Colombia - 41.8%	Mexico - 9.0%	Mexico 16.3%	Argentina - 50.7%	Argentina - 20.7%	Brazil - 18.9%	Colombia - 19.6%	Chile - 5.9%	Mexico 13.1%

Source: FactSet, MSCI, J.P. Morgan Asset Management.

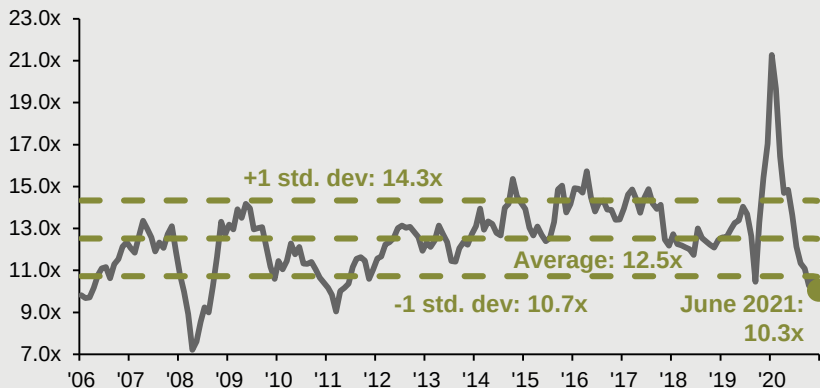
All returns are total return, unhedged and shown in USD. Past performance is not indicative of future returns.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

MSCI Latin America price-to-book ratio

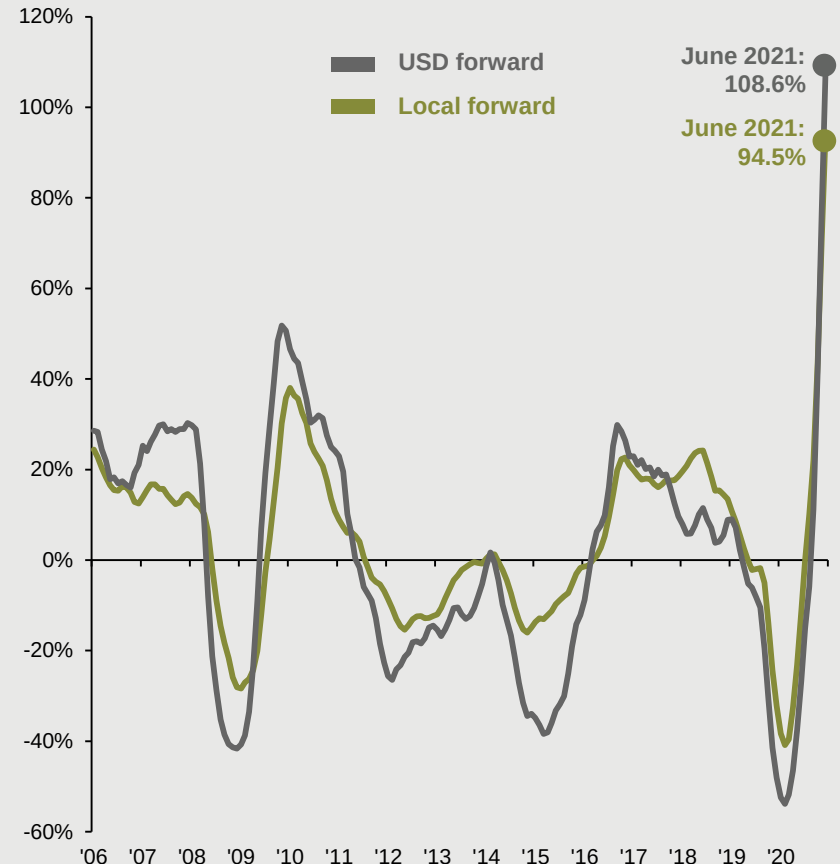


MSCI Latin America price-to-earnings ratio



MSCI Latin America forward earnings* growth

Next 12 months, year-over-year growth, 3-month moving avg.



Source: FactSet, MSCI, J.P. Morgan Asset Management.

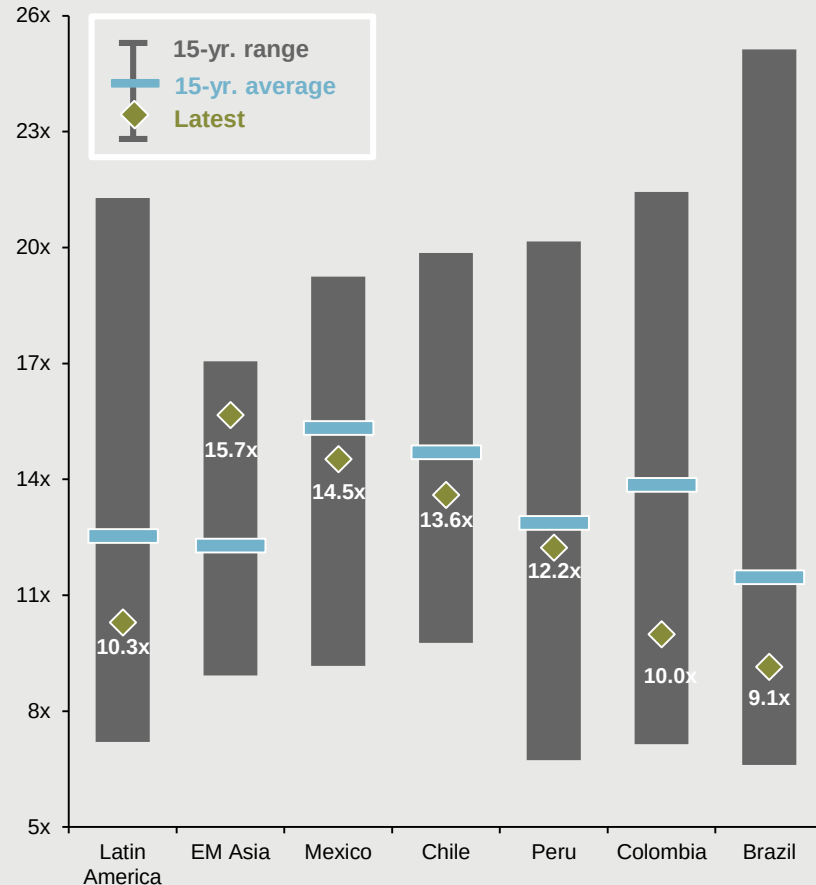
Price-to-earnings is price divided by consensus analyst estimates of earnings per share for the next 12 months. Price-to-book is price divided by book value per share. Consensus analyst estimates are provided by FactSet.

*Earnings are implied earnings derived from dividing the index levels by forward P/Es.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

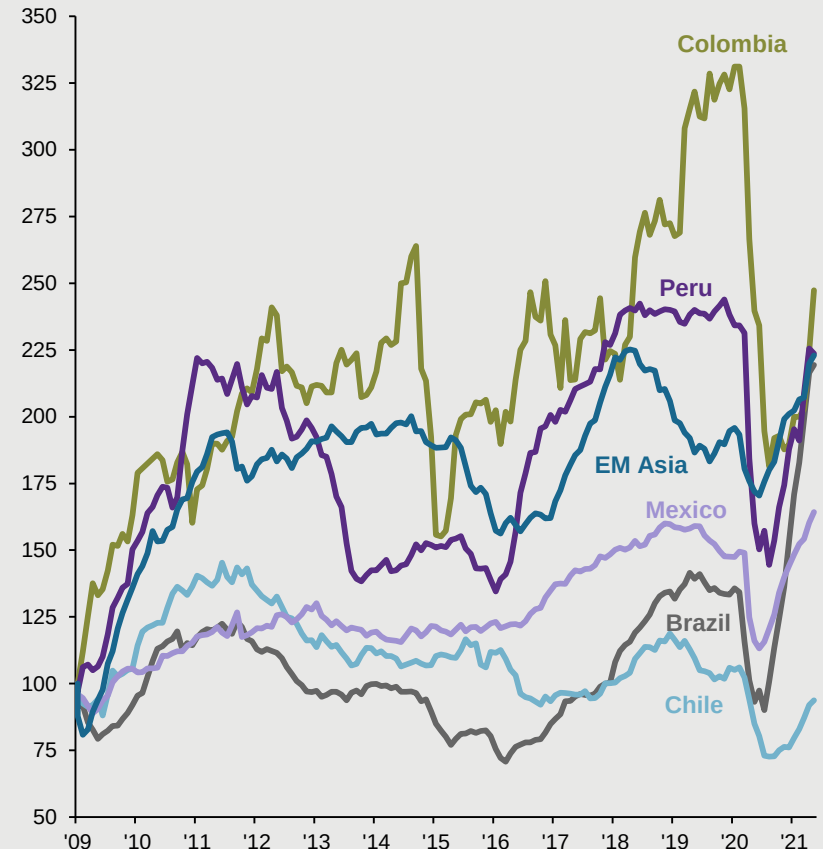
Latin America valuations

Price-to-earnings ratio, NTMA



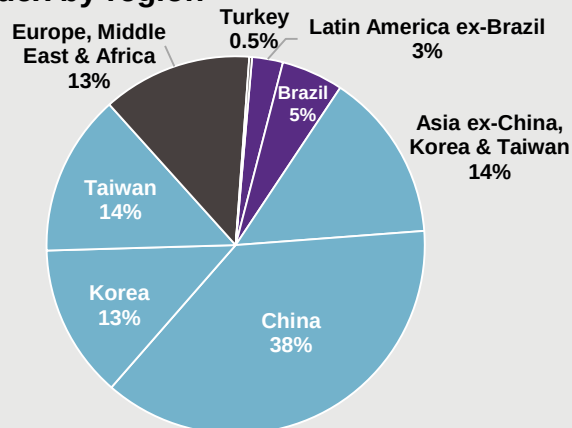
Latin America earnings

EPS, local currency, NTMA, Dec. 2008 = 100

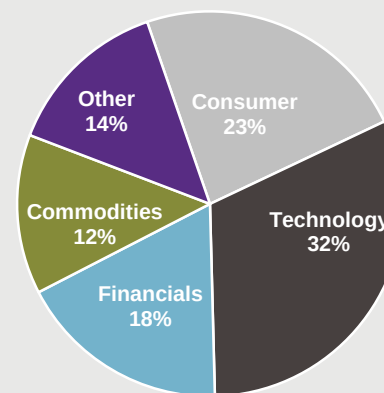


Source: FactSet, MSCI, J.P. Morgan Asset Management.
Guide to the Markets – Latin America. Data are as of June 30, 2021.

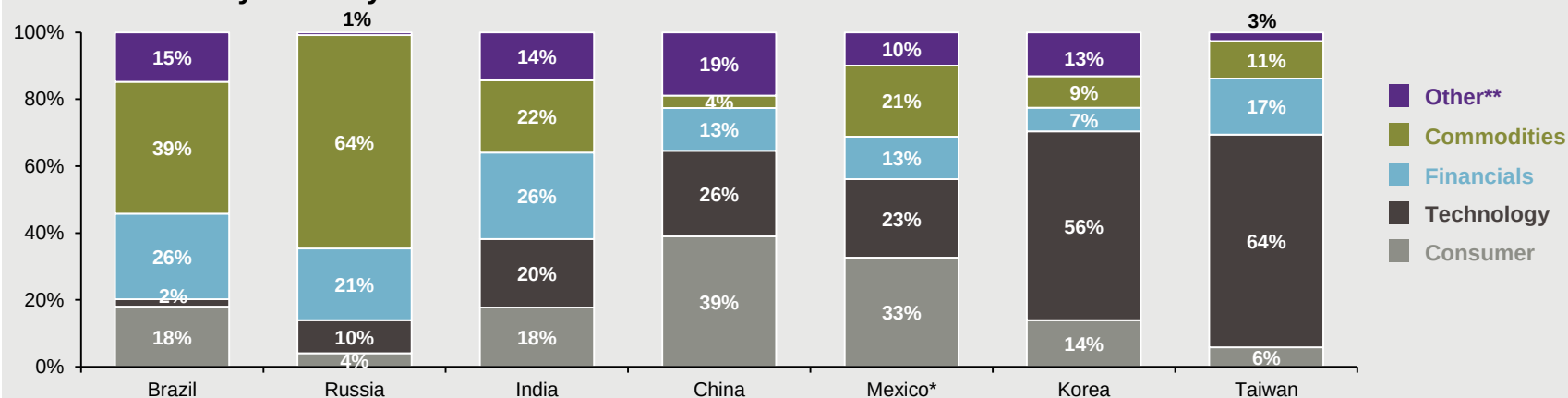
MSCI EM index by region



MSCI EM index by sector



MSCI EM country index by sector



Source: FactSet, MSCI, J.P. Morgan Asset Management.

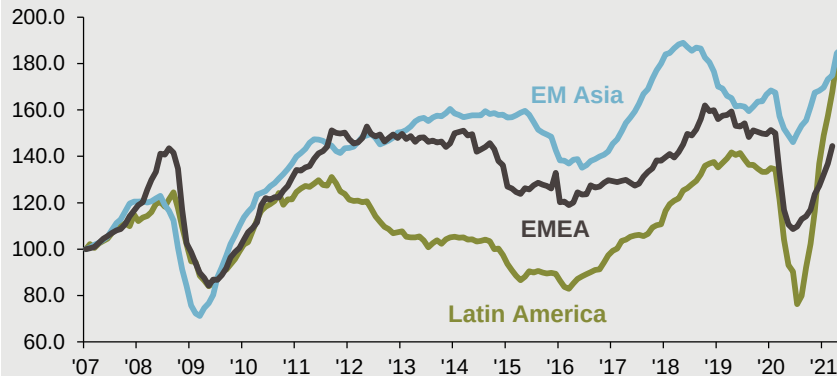
MSCI EM index region and sector components are market value percentages.

*Mexico Communication Services sector accounts for 24% of the country's market capitalization. ***"Other" is comprised of Health Care, Industrials, Real Estate and Utilities sectors. Values may not sum to 100% due to rounding.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

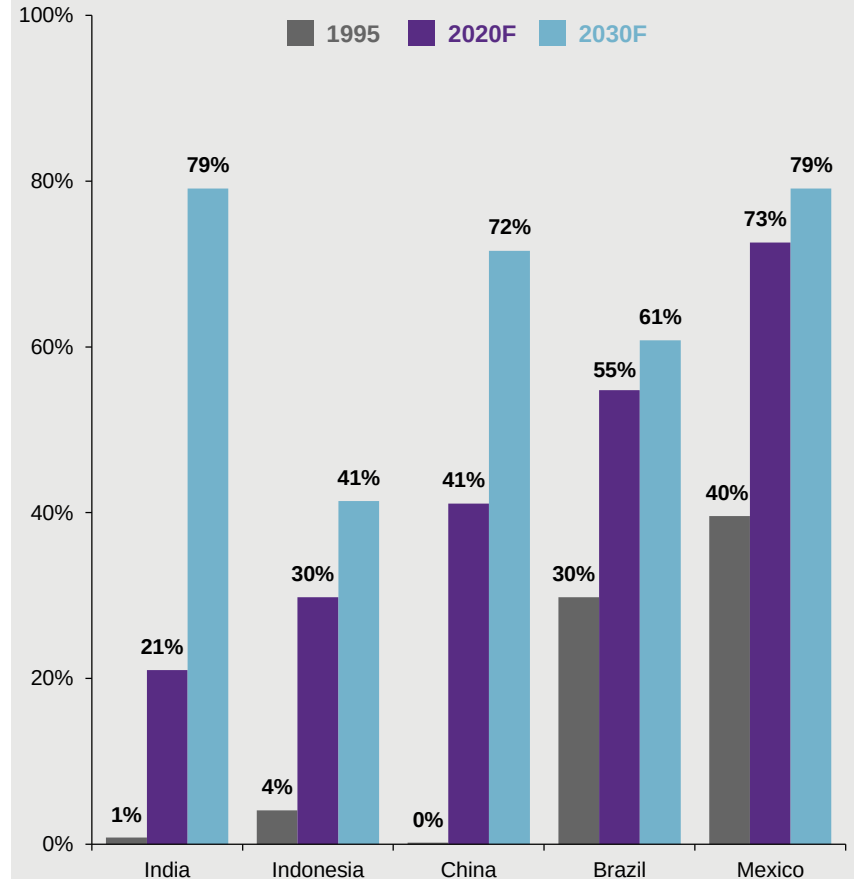
EM earnings by region

EPS for next 12-month consensus, local currency, Jan. 2007 = 100



Growth of the middle class

Percent of total population



EM price-to-book ratio

Last 12 months actual



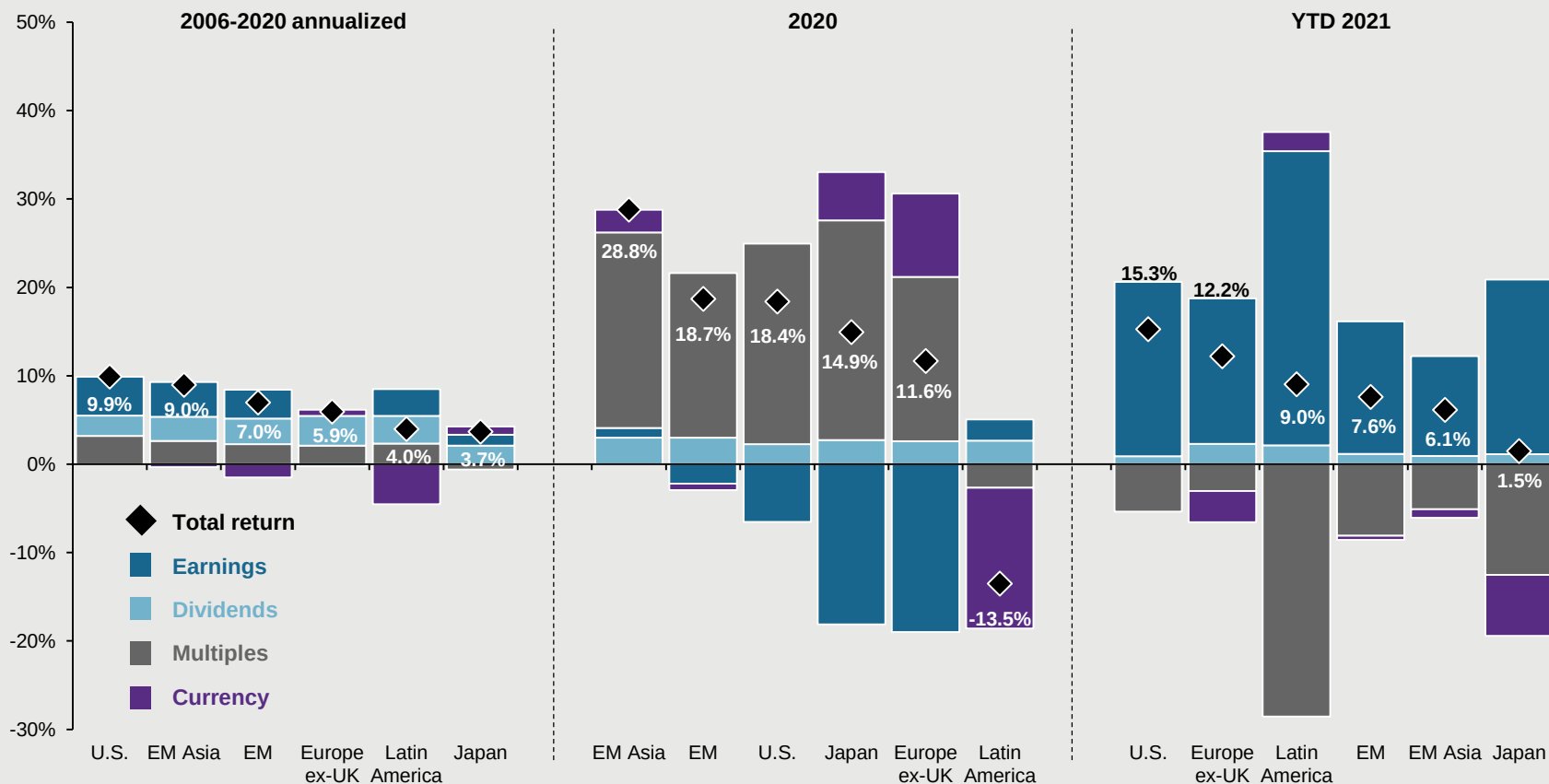
Source: J.P. Morgan Asset Management; (Top and bottom left) FactSet, MSCI; (Right) Brookings Institute.

Middle class is defined as households with per capita incomes between \$11 and \$110 per person per day in 2011 PPP terms. Historical and forecast figures come from the Brookings Development, Aid and Governance Indicators. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

Sources of global equity returns*

Total return, USD



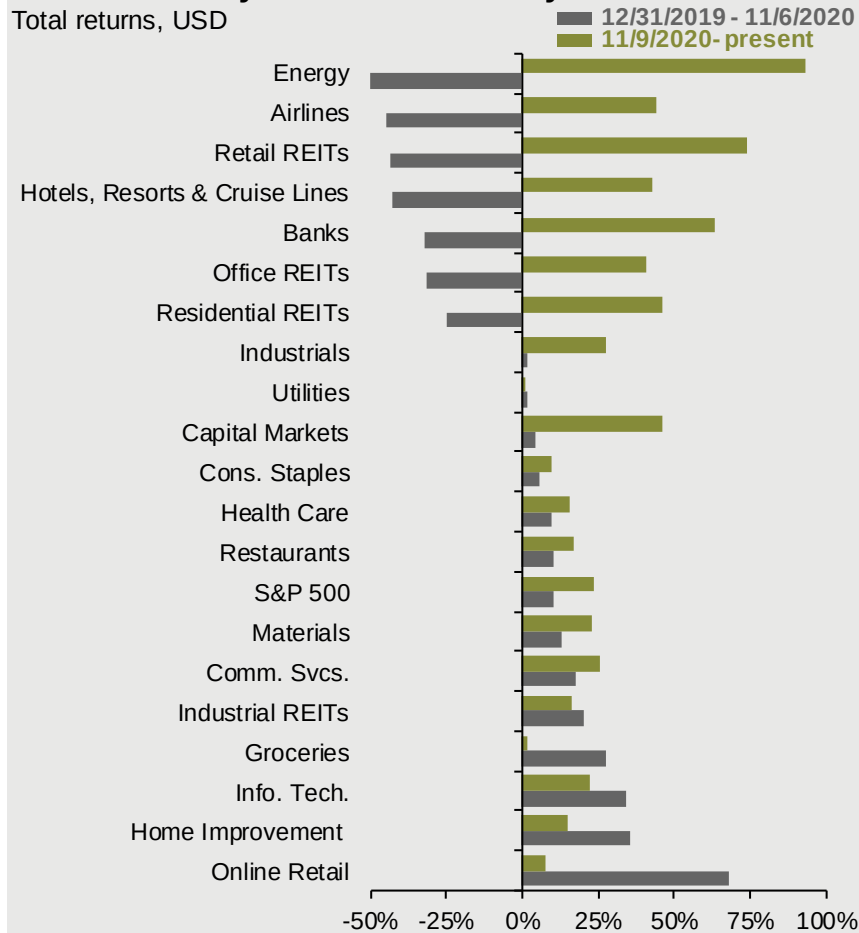
Source: FactSet, MSCI, Standard & Poor's, J.P. Morgan Asset Management.

All return values are MSCI Gross Index (official) data, except the U.S., which is the S&P 500. *Multiple expansion is based on the forward P/E ratio and EPS growth outlook is based on NTMA earnings estimates. Chart is for illustrative purposes only. Past performance is not indicative of future results.

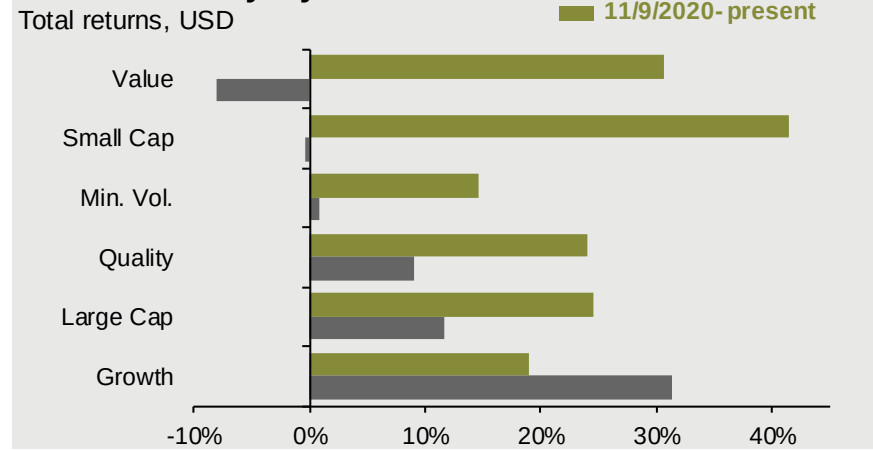
Guide to the Markets – Latin America. Data are as of June 30, 2021.

Performance by sector and industry

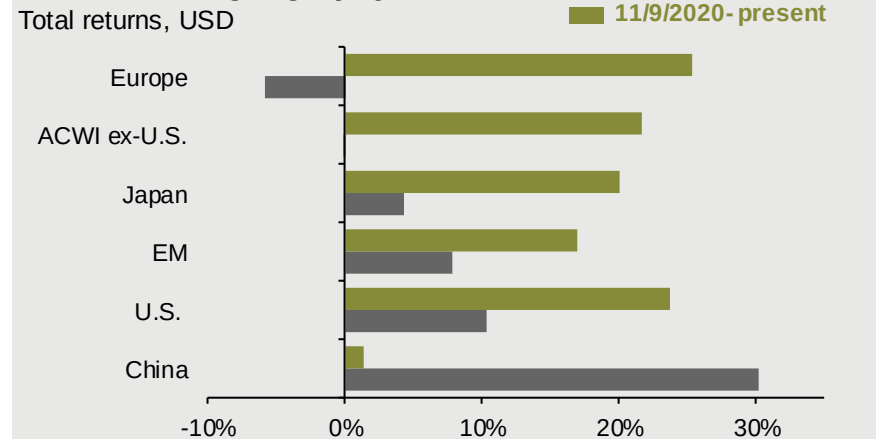
Total returns, USD

**Performance by style**

Total returns, USD

**Performance geography**

Total returns, USD



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management. 11/6/20 was chosen as the last business day before vaccine candidate is revealed to have more than 90% efficacy against the COVID-19 virus in global trials. The company referenced is for illustrative purposes only. Indices used are as follows: China: MSCI China, AC World ex-U.S.: MSCI AC World ex USA, Europe: MSCI Europe, Japan: MSCI Japan, U.S.: S&P 500, EM: MSCI EM, Large cap: Russell 1000, Small cap: Russell 2000, Value: Russell 1000 Value, Growth: Russell 1000 Growth, Quality: MSCI USA Sector Neutral Quality, Min. Vol.: MSCI USA Minimum Volatility.
Guide to the Markets – Latin America. Data are as of June 30, 2021.

MSCI All Country World ex-U.S. and S&P 500 Indices

Dec. 1996 = 100, U.S. dollar, price return



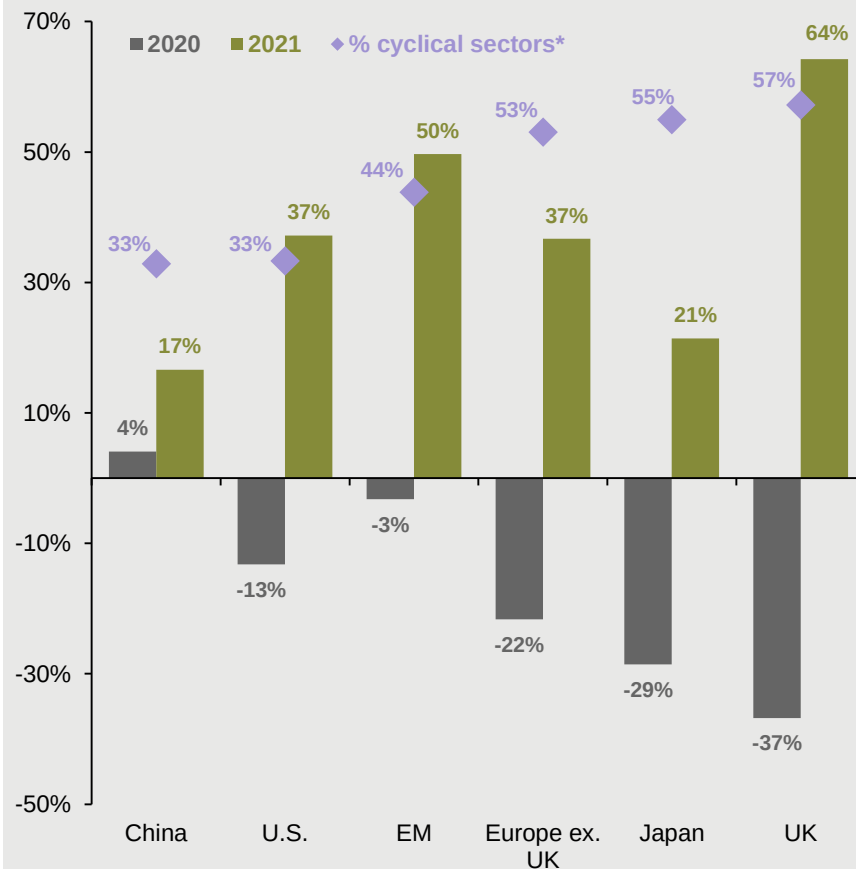
Source: FactSet, MSCI, Standard & Poor's, J.P. Morgan Asset Management.

Forward price-to-earnings ratio is a bottom-up calculation based on the most recent index price, divided by consensus estimates for earnings in the next 12 months (NTM), and is provided by FactSet Market Aggregates. Returns are cumulative and based on price movement only, and do not include the reinvestment of dividends. Past performance is not indicative of future returns. Dividend yield is calculated as consensus estimates of dividends for the next 12 months, divided by most recent price, as provided by FactSet Market Aggregates.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

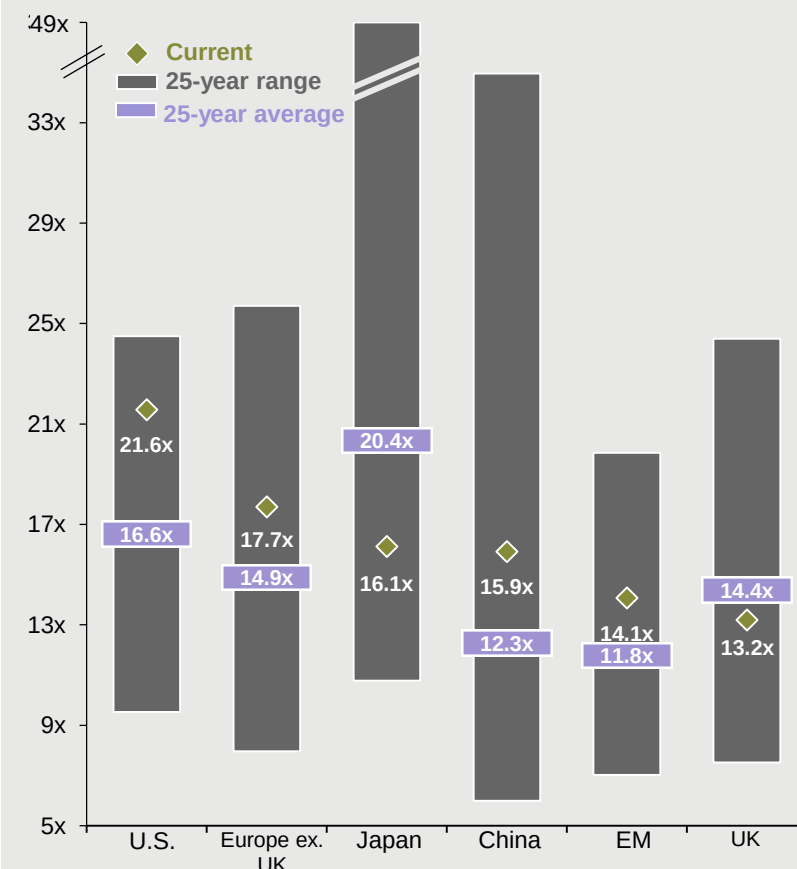
Global earnings growth

Calendar year consensus estimates



Global valuations

Price-to-earnings ratios, next 12 months



Source: FactSet, MSCI, Standard & Poor's, Thomson Reuters, J.P. Morgan Asset Management.

*Cyclical sectors include consumer discretionary, financials, industrials, energy and materials. The Internet and direct marketing subsector has been removed from the cyclicals calculation. In our judgement, companies in this space do not yet fit into the cyclical category, as they are still in a transitional growth phase and are not being directly impacted by the business cycle. Valuation and earnings charts use MSCI indices for all regions/countries, except for the U.S., which is the S&P 500. All indices use IBES aggregate earnings estimates, which may differ from earnings estimates used elsewhere in the book. MSCI Europe ex UK includes Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, and Switzerland. Past performance is not a reliable indicator of current and future results. Guide to the Markets – Latin America. Data are as of June 30, 2021.

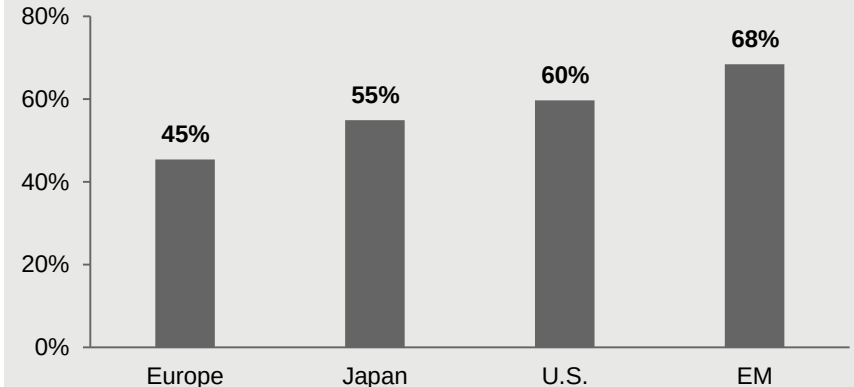
Returns of thematic indices

Total return, U.S. dollar, Dec. 31, 2014 = 100



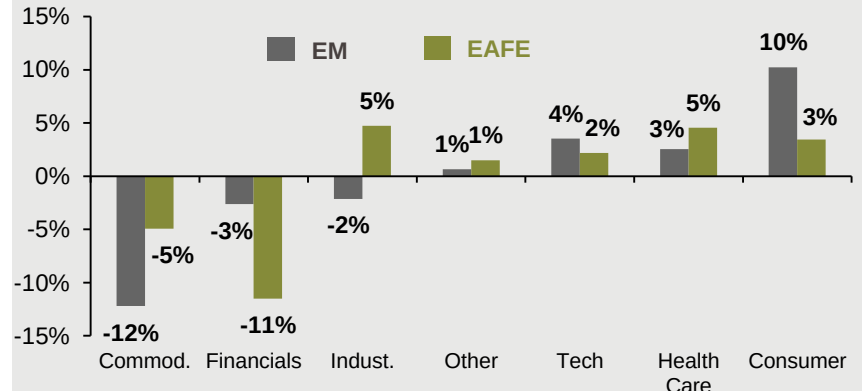
Revenue exposure vs. country of listing

% of total revenue from home countries



Change in international sector weightings

% point change from Dec. 31, 2005

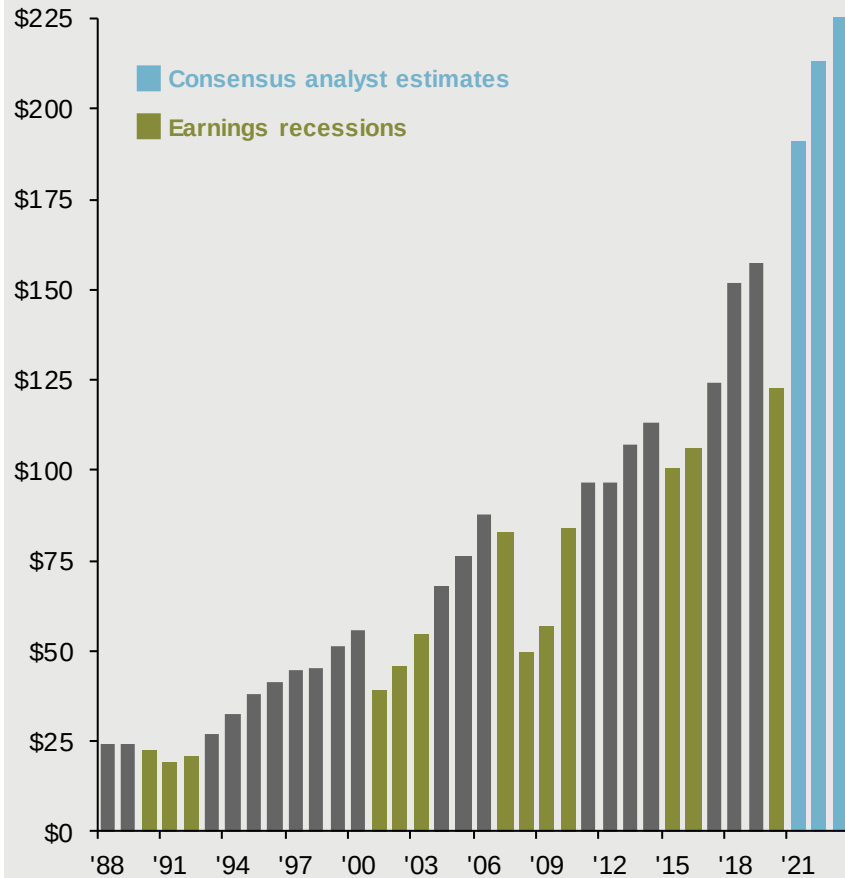


Source: Factset, MSCI, Russell, J.P. Morgan Asset Management. Indices used are as follows: EM Asia Tech: MSCI EM Asia Information Technology, European Luxury Goods: MSCI Europe Textiles, Apparel and Luxury Goods, U.S. Growth: Russell 1000 Growth, AC World ex-U.S.: MSCI AC World ex USA, Europe: MSCI Europe, Japan: MSCI Japan, U.S.: S&P 500, EM: MSCI EM, EAFE: MSCI EAFE. Revenue exposure vs. country of listing and change in international sector weightings is as of 6/30/21.

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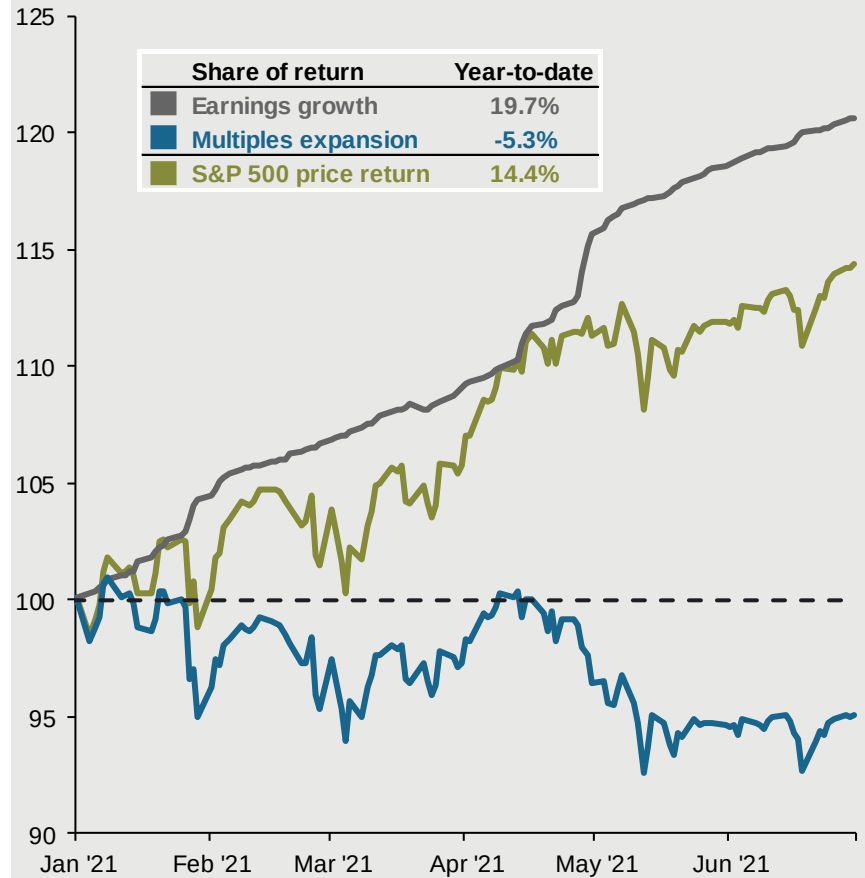
S&P 500 earnings per share

Index annual operating earnings



Percent change in S&P 500, earnings and valuations

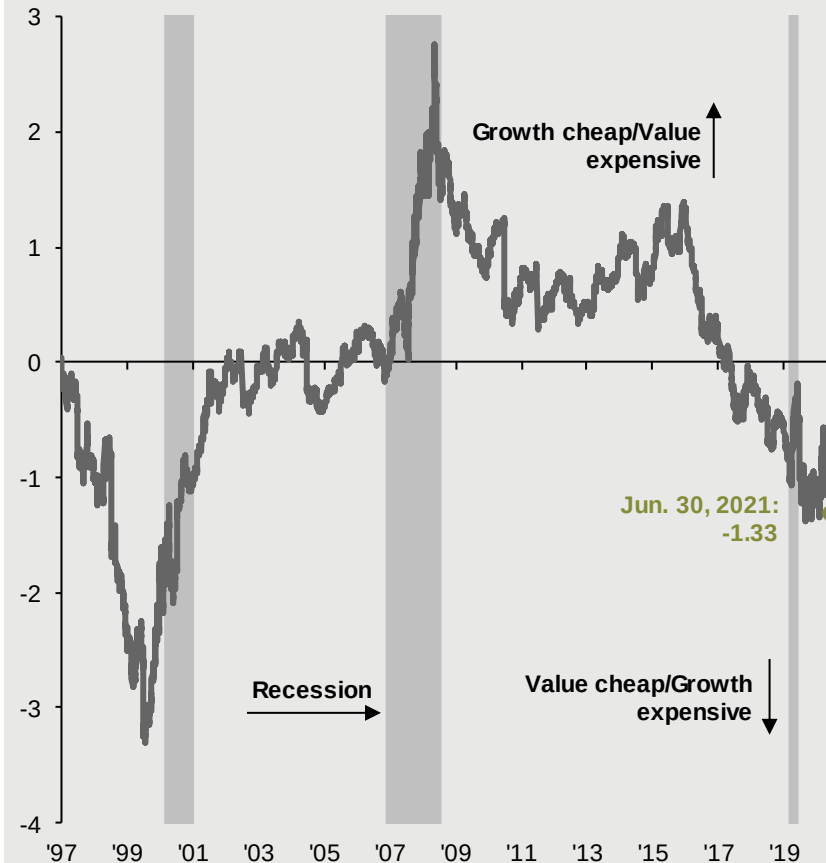
Year-to-date, indexed to 100



Source: FactSet, Compustat, Standard & Poor's, J.P. Morgan Asset Management.
 Historical EPS levels are based on annual operating earnings per share. Earnings estimates are based on estimates from Standard & Poor's and FactSet Market Aggregates. Past performance is not indicative of future returns.
 Guide to the Markets – Latin America. Data are as of June 30, 2021.

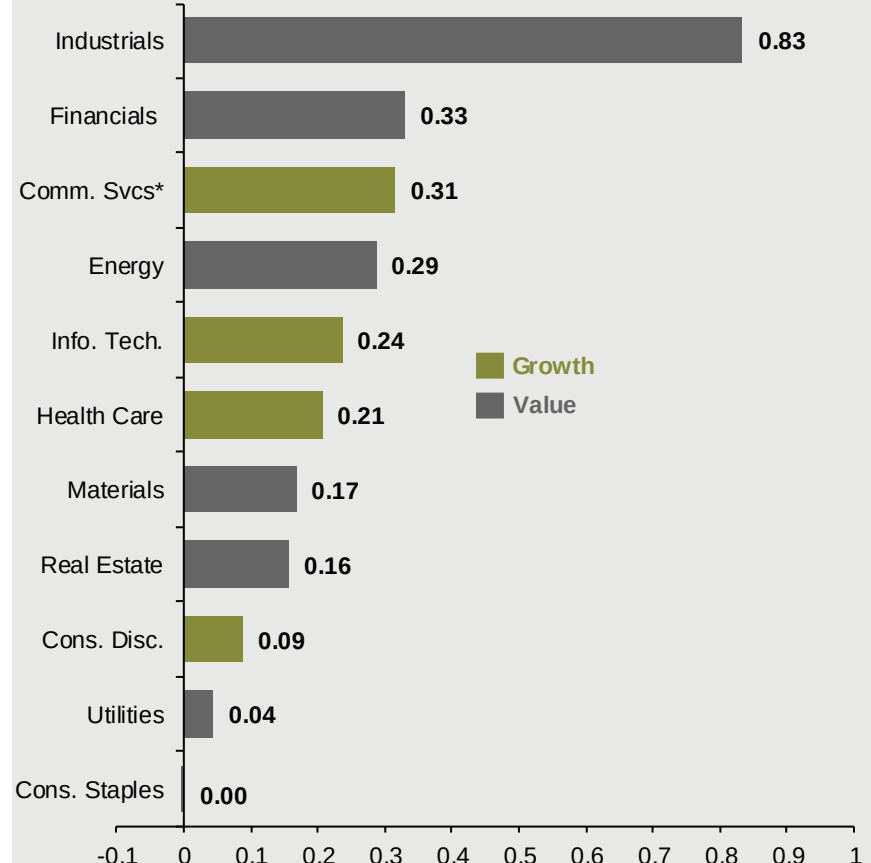
Value vs. Growth relative valuations

Rel. fwd. P/E ratio of Value vs. Growth, z-score, Dec. 1997 - present



S&P 500 sector earnings correlation to real GDP

1Q 2009 - 4Q 2020



Source: FactSet, FTSE Russell, NBER, J.P. Morgan Asset Management.

Growth is represented by the Russell 1000 Growth Index and Value is represented by the Russell 1000 Value Index. *Communication services correlation is since 3Q13 and based on backtested data by JPMAM.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

P/E ratio of the top 10 and remaining stocks in the S&P 500

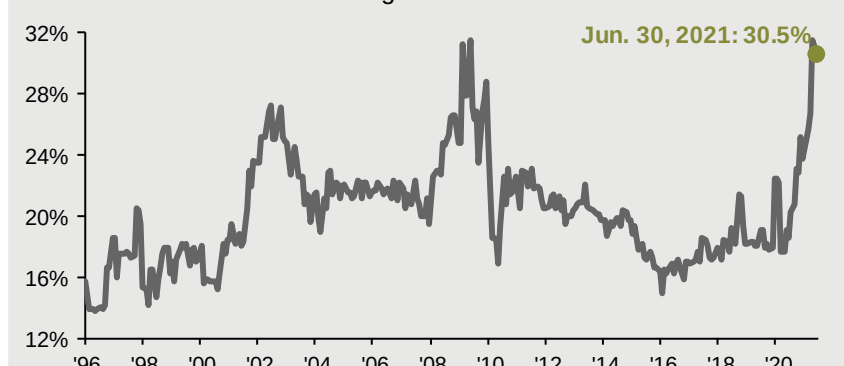
Next 12 months

**Weight of the top 10 stocks in the S&P 500**

% of market capitalization of the S&P 500

**Earnings contribution of the top 10 in the S&P 500**

Based on last 12 months' earnings



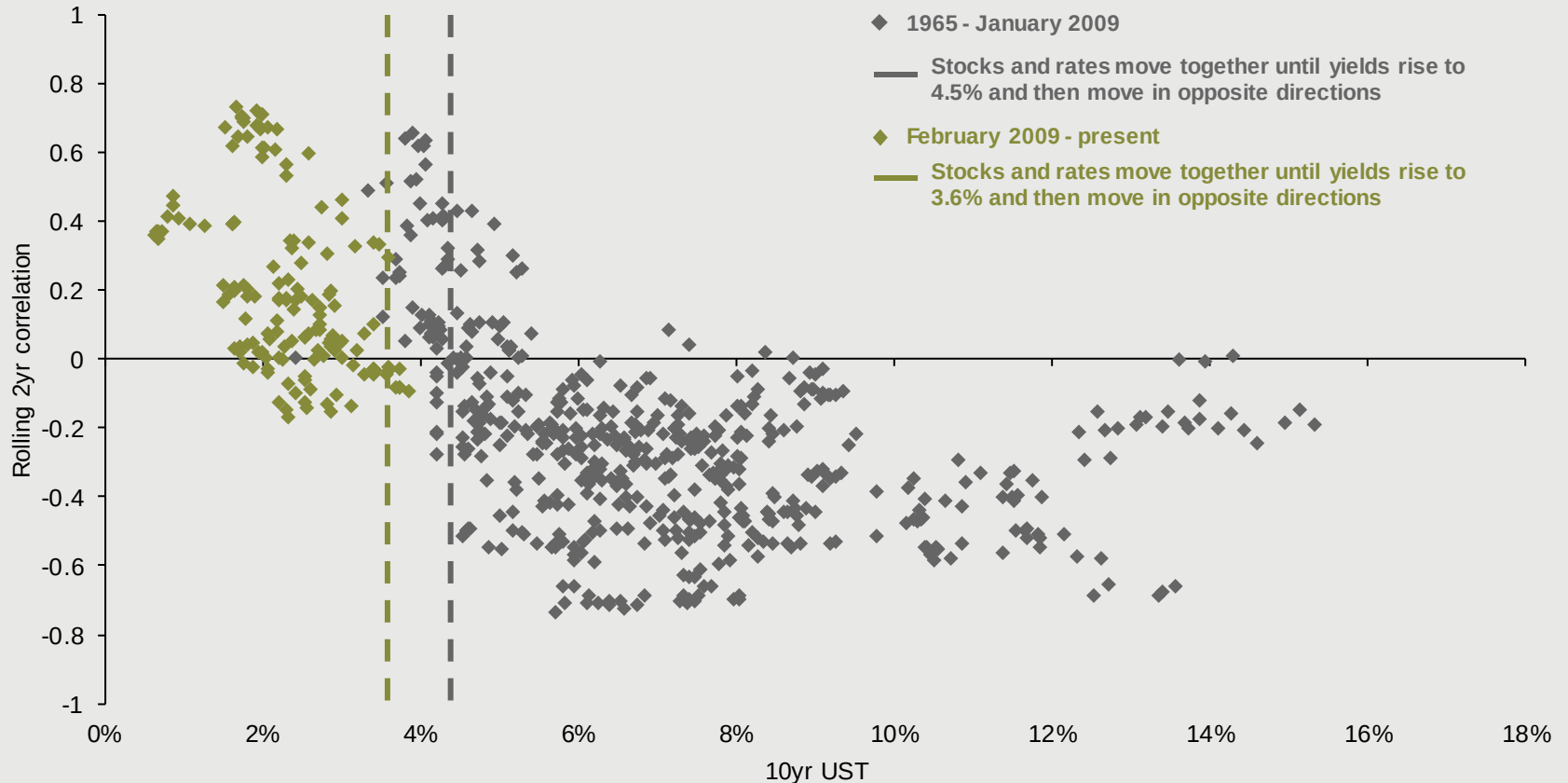
Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management.

The top 10 S&P 500 companies are based on the 10 largest index constituents at the beginning of each month. The weight of each of these companies is revised monthly. As of 6/30/21, the top 10 companies in the index were AAPL (5.9%), MSFT (5.6%), AMZN (4.1%), FB (2.3%), GOOGL (2.0%), GOOG (2.0%), BRK.B (1.5%), TSLA (1.4%), NVDA (1.4%), JPM (1.3%), and JNJ (1.2%). The remaining stocks represent the rest of the 494 companies in the S&P 500.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

Stock returns and interest rate movements before and after the Global Financial Crisis

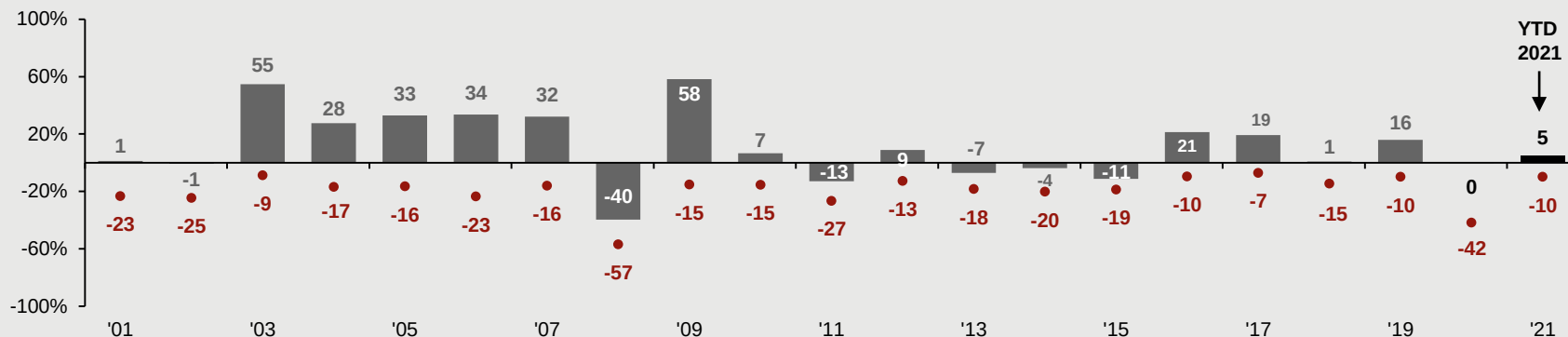
Monthly S&P 500 returns, 10yr UST, rolling 2yr correlation, 1965 - present



Source: FactSet, J.P. Morgan Asset Management. X-intercept for each data set is calculated using a quadratic regression where interest rates are the independent variable and the rolling 2-year correlation of stock returns and interest rate movements is the dependent variable.
Guide to the Markets – Latin America. Data are as of June 30, 2021.

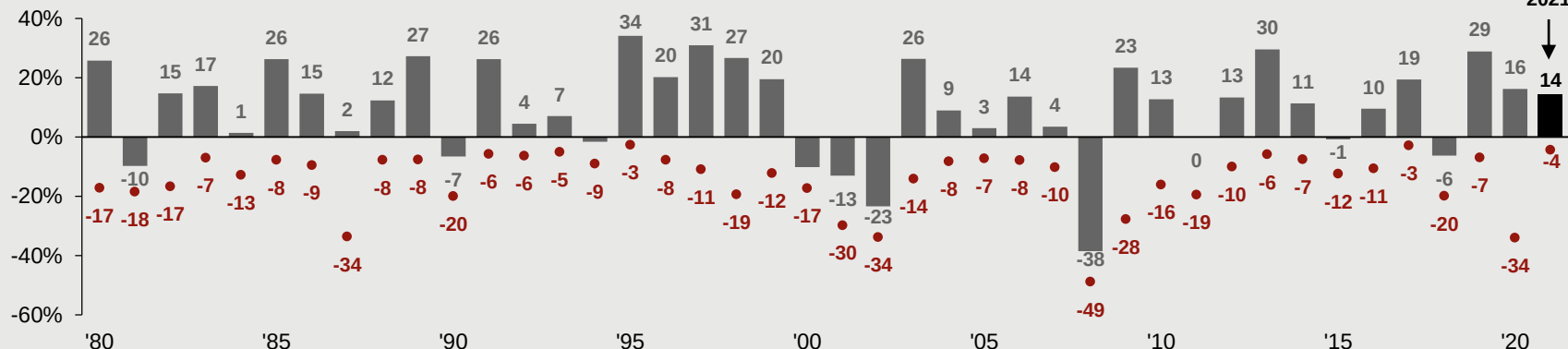
MSCI Latin America intra-year declines vs. calendar year returns

Local currency, average intra-year drops of 19.8% (median -16.6%) and annual returns positive in 13 of 20 years



S&P 500 intra-year declines vs. calendar year returns

Local currency, average intra-year drops of 14.3% (median -10.3%) and annual returns positive in 31 of 41 years



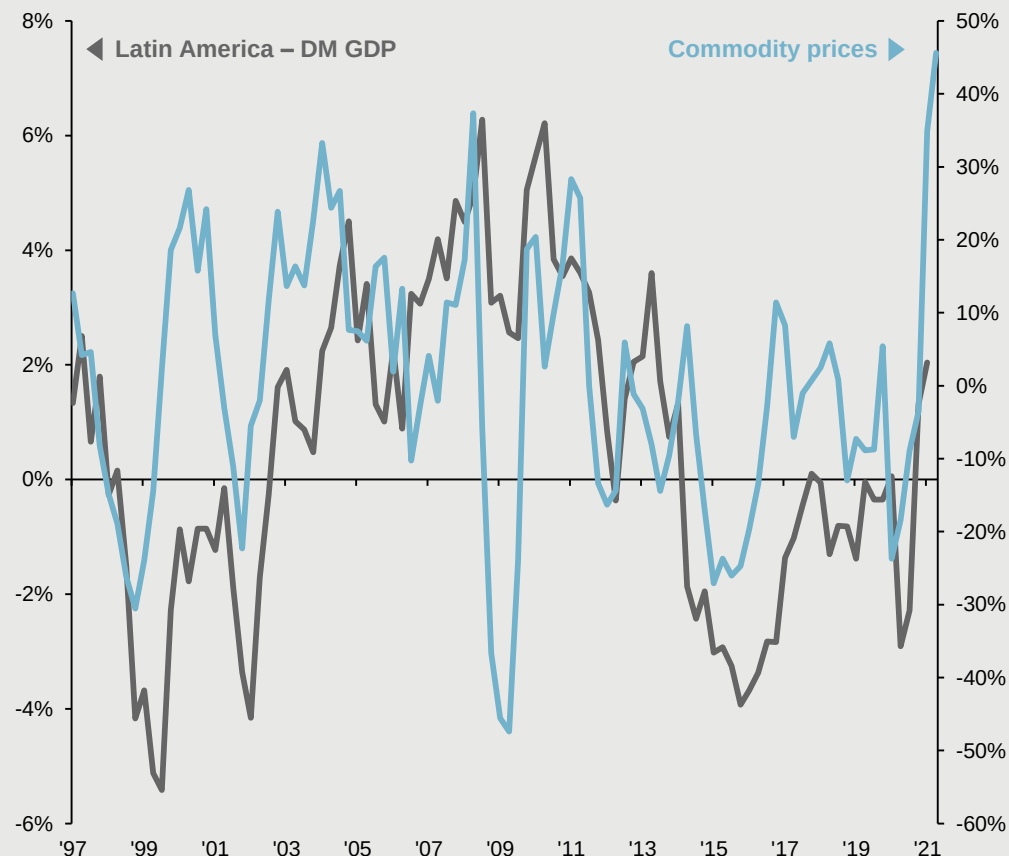
Source: FactSet, MSCI, J.P. Morgan Asset Management.

Returns are based on price index only and do not include dividends. Intra-year drops refers to the largest market drops from a peak to a trough during the year. For illustrative purposes only. Returns are calendar year returns from 1980 to 2020 or the S&P 500 and 2001 to 2020 for the MSCI Latin America.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

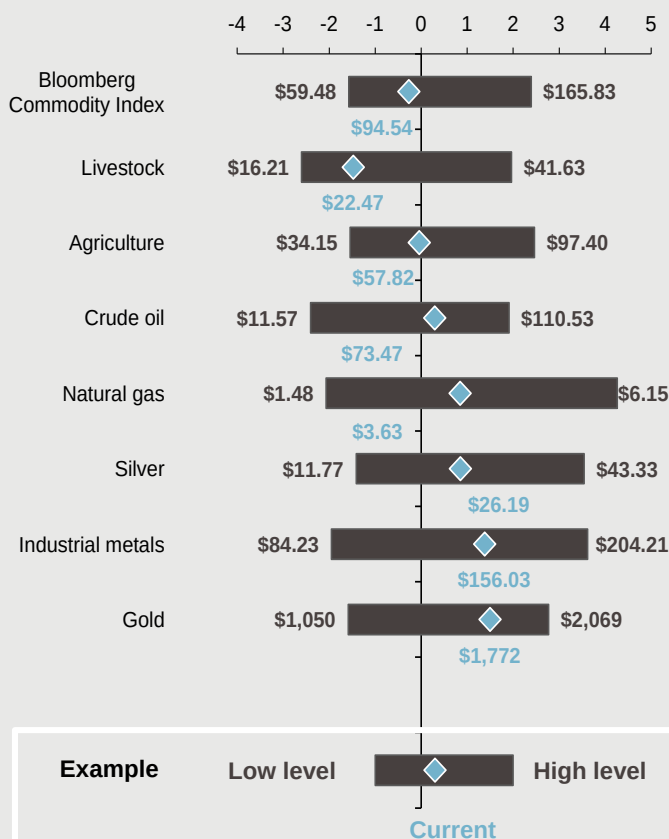
Commodity prices and Latin America economic growth

Latin America – DM GDP growth*, quarterly, % year-over-year change



Commodity prices

Commodity price z-scores



Source: Bloomberg Finance L.P., FactSet, J.P. Morgan Asset Management; (Left) J.P. Morgan Global Economic Research; (Right) CME. Commodity prices are represented by the appropriate Bloomberg Commodity subindex. Other commodity prices are represented by futures contracts. Z-scores are calculated using daily prices over the past 10 years. *Latin America and developed market (DM) aggregates are produced by J.P. Morgan Global Economic Research. Guide to the Markets – Latin America. Data are as of June 30, 2021.

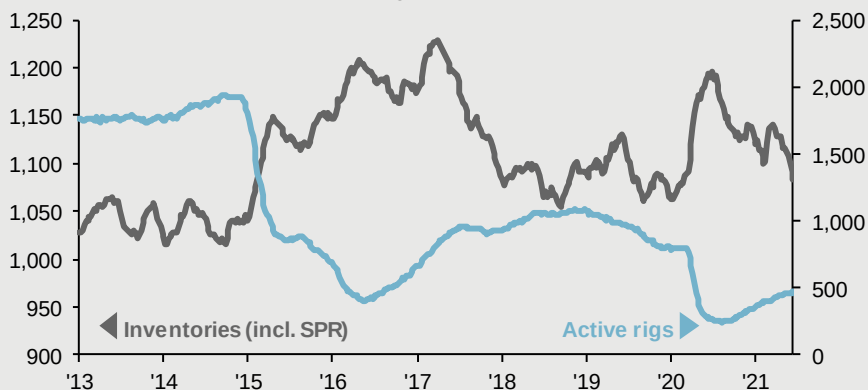
Change in production and consumption of liquid fuels

Production, consumption and inventories, millions of barrels per day

Production	2018	2019	2020	2021*	2022*	Growth since '18
U.S.	17.9	19.5	18.6	18.6	20.0	11.4%
OPEC	36.7	34.7	30.7	32.2	34.2	-6.9%
Russia	11.4	11.5	10.5	10.7	11.5	0.8%
Global	100.8	100.7	94.2	96.9	101.8	1.0%
Consumption						
U.S.	20.5	20.5	18.1	19.6	20.6	0.5%
China	13.9	14.8	14.4	15.4	16.0	14.8%
Global	100.1	100.9	92.3	97.7	101.3	1.3%
Inventory Change	0.8	-0.2	2.0	-0.8	0.5	

U.S. crude oil inventories and rig count**

Million barrels, number of active rigs



Price of oil

WTI crude, nominal prices, USD/barrel

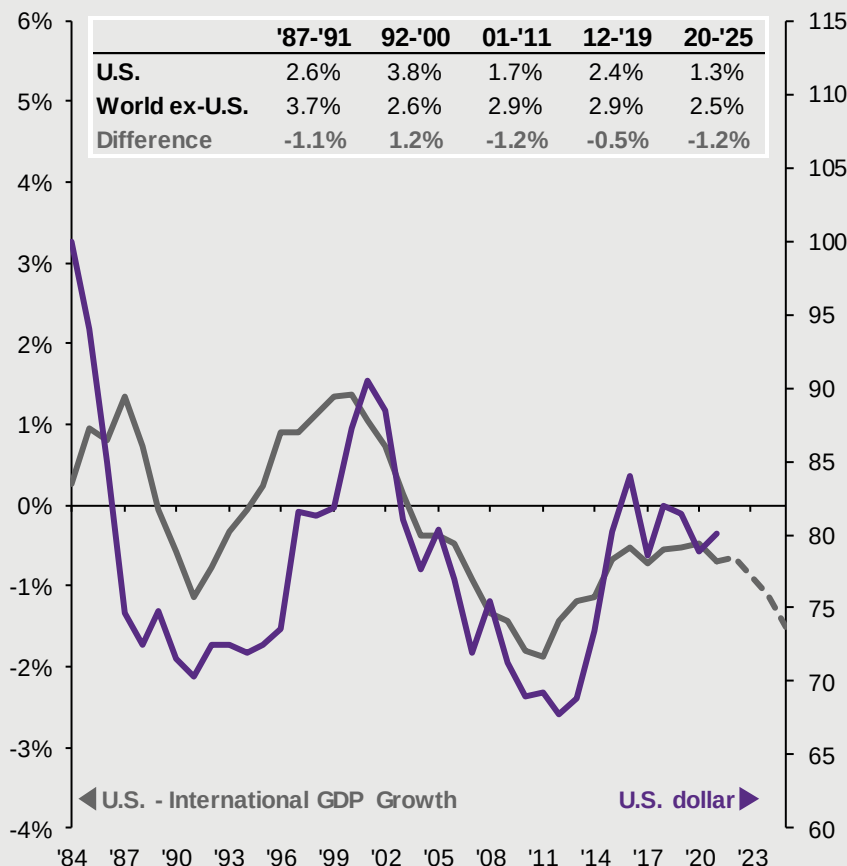


Source: J.P. Morgan Asset Management; (Top and bottom left) EIA; (Right) FactSet; (Bottom left) Baker Hughes.

*Forecasts are from the May 2021 EIA Short-Term Energy Outlook and start in 2021. **U.S. crude oil inventories include the Strategic Petroleum Reserve (SPR). Active rig count includes both natural gas and oil rigs. WTI crude prices are continuous contract NYM prices in USD. Guide to the Markets - Latin America. Data are as of June 30, 2021.

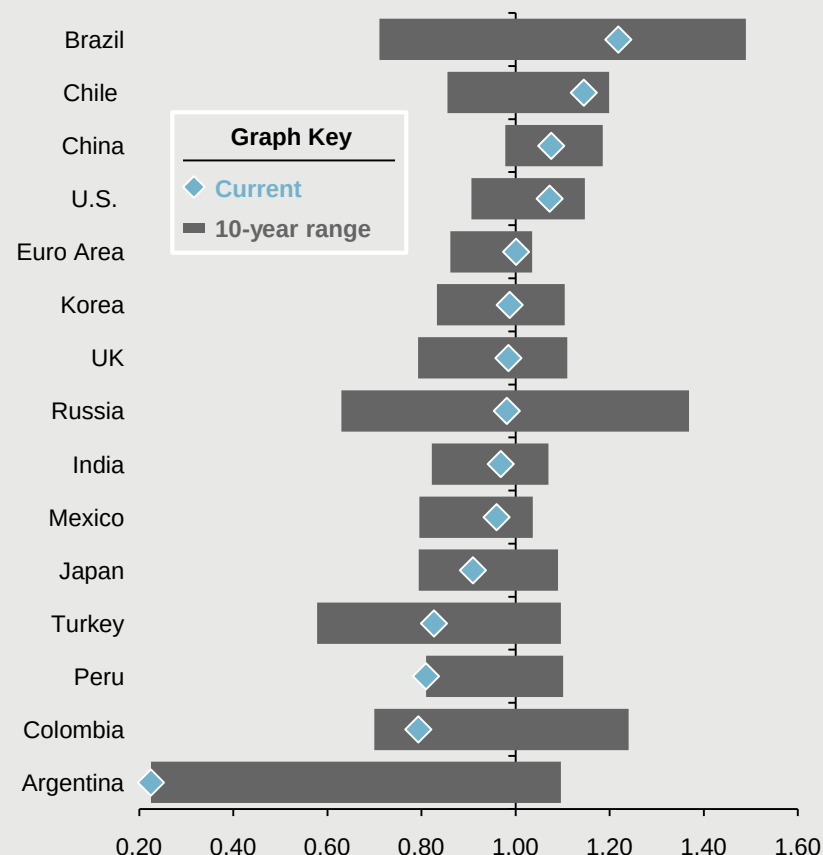
U.S. dollar in historical perspective

Index level, real broad dollar index, Jan. 2006 = 100



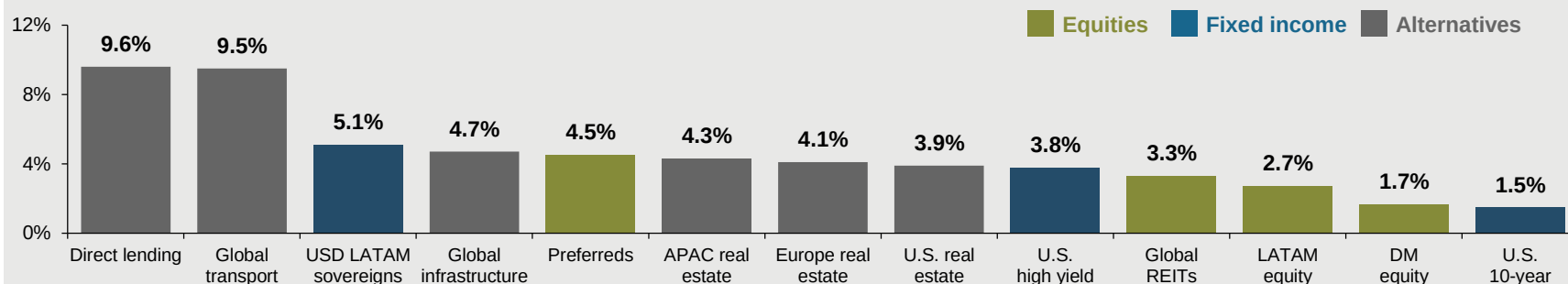
Currency valuations

Currencies* adjusted for relative inflation changes vs. 10-year average



Source: J.P. Morgan Global Economic Research, J.P. Morgan Asset Management; (Left) IMF. Global GDP growth is based on GDP at market exchange rates as weights. U.S. dollar is the J.P. Morgan Global Economic Research real broad effective exchange rate (CPI), calculated as year-end moves versus the prior year-end. Past performance is not a reliable indicator of current and future results.*Currencies are the real effective exchange rates (REERs), which compare the value of a currency to a weighted basket of several foreign currencies. They are deflated using a producer price index. Forecasts, projections and other forward-looking statements are based upon current beliefs and expectations. They are for illustrative purposes only and serve as an indication of what may occur. Given the inherent uncertainties and risks associated with forecasts, projections or other forward-looking statements, actual events, results or performance may differ materially from those reflected or contemplated. Guide to the Markets – Latin America. Data are as of June 30, 2021.

Asset class yields



Alternatives correlations

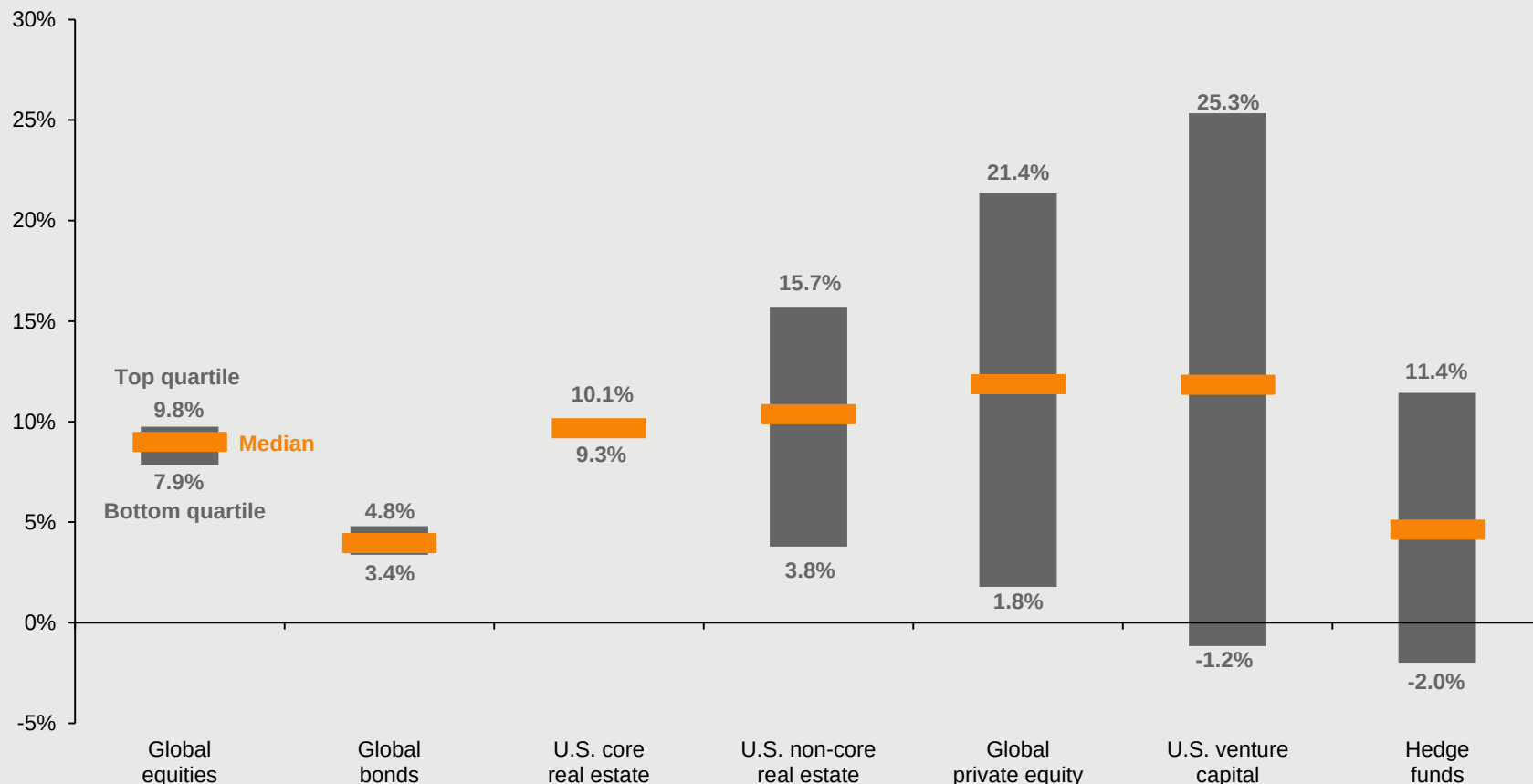
2008 - 2020		Global Bonds	Global Equities	U.S. Core RE	Europe Core RE (Continental Europe)	APAC Core RE	Global Core Infra	Direct Lending	Venture Capital	Private Equity	Equity Long/Short	Relative Value	Macro	Bitcoin
Financial assets	Global Bonds	1.0												
	Global Equities	0.3	1.0											
	U.S. Core RE	-0.2	0.0	1.0										
Global real estate	Europe Core RE (Continental Europe)	-0.3	0.2	0.8	1.0									
	APAC Core RE	-0.2	0.0	0.8	0.8	1.0								
Inf	Global Core Infra	-0.1	-0.1	0.3	0.1	0.2	1.0							
	Direct Lending	-0.1	0.7	0.3	0.4	0.3	0.1	1.0						
Private Markets	Venture Capital	0.0	0.5	0.3	0.5	0.3	0.1	0.5	1.0					
	Private Equity	0.0	0.8	0.3	0.5	0.3	0.1	0.9	0.8	1.0				
Hedge funds	Equity Long/Short	0.2	1.0	0.0	0.2	0.0	-0.1	0.7	0.6	0.9	1.0			
	Relative Value	0.1	0.9	-0.1	0.1	0.0	-0.1	0.9	0.5	0.8	0.9	1.0		
Cryp to	Macro	0.4	0.4	-0.2	-0.1	-0.2	-0.1	0.1	0.2	0.2	0.4	0.3	1.0	
	Bitcoin	0.1	0.1	0.3	-0.1	0.1	0.5	0.1	0.2	0.2	0.1	0.1	0.0	1.0

Source: MSCI, Bloomberg Barclays, NCREIF, Cliffwater, Burgiss, HFRI, J.P. Morgan Asset Management. RE – real estate. Global equities: MSCI AC World Index. Global Bonds: Bloomberg Barclays Global Aggregate Index. U.S. Core Real Estate: NCREIF Property Index – Open End Diversified Core Equity component. Europe Core Real Estate: MSCI Global Property Fund Index – Continental Europe. Asia Pacific (APAC) Core Real Estate: MSCI Global Property Fund Index – Asia-Pacific. Global infrastructure (Infra.): MSCI Global Quarterly Infrastructure Asset Index (equal-weighted blend). U.S. Direct Lending: Cliffwater Direct Lending Index. Global Private Equity: Cambridge Associates Global Private Equity Index. U.S. Venture Capital: Cambridge Associates U.S. Venture Capital Index. Hedge fund indices include equity long/short, relative value, and global macro and are all from HFRI. All correlation coefficients are calculated based on quarterly total return data for the period 12/31/2008 – 12/31/2020, except correlations with Bitcoin which are calculated over the period 12/31/2010 – 12/31/2020. Returns are denominated in USD.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

Private and public manager dispersion

Based on returns over a 10-year window*



Sources: Lipper, NCREIF, Cambridge Associates, HFRI, J.P. Morgan Asset Management.

Global equities (large cap) and global bonds dispersion are based on the world large stock and world bond categories, respectively. *Manager dispersion is based on the annual returns for global equities, global bonds, and U.S. core real estate over a 10 year period ending 1Q 2021. Hedge fund returns are based on annual returns from Feb. 2011 – Jan. 2021. U.S. non-core real estate, global private equity and U.S. venture capital are represented by the 10-year horizon internal rate of return (IRR) ending 4Q 2020.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

Asset class returns

GTM - Latin America | 74

2006-2020																	
2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD	Cum.	Ann.
LATAM equity	LATAM equity	Cash	LATAM equity	EM Asia equity	USD LATAM sov.	EM Asia equity	DM equity	USD LATAM sov.	USD EMD sov.	LATAM equity	EM Asia equity	Cash	DM equity	EM Asia equity	DM equity	EM Asia equity	EM Asia equity
43.5%	50.7%	1.8%	104.2%	19.4%	12.3%	21.2%	27.4%	8.1%	1.2%	31.5%	43.3%	1.8%	28.4%	28.8%	13.3%	261.9%	9.0%
EM Asia equity	EM Asia equity	LCL LATAM sov.	EM Asia equity	LCL LATAM sov.	USD EMD sov.	Global high yield	Global high yield	USD EMD sov.	Cash	LCL LATAM sov.	LATAM equity	LCL LATAM sov.	EM Asia equity	DM equity	LATAM equity	DM equity	DM equity
33.2%	41.6%	-10.6%	74.2%	18.7%	7.3%	19.6%	7.3%	7.4%	0.0%	17.1%	24.2%	-2.9%	19.7%	16.5%	9.0%	214.0%	7.9%
DM equity	LCL LATAM sov.	Global IG	Global high yield	Asset alloc.	Global IG	USD EMD sov.	EM Asia equity	DM equity	DM equity	Asset alloc.	DM equity	Global IG	LATAM equity	Global IG	EM Asia equity	Global high yield	Global high yield
20.7%	17.4%	-11.2%	59.4%	15.0%	4.0%	17.4%	2.3%	5.5%	-0.3%	15.0%	23.1%	-3.5%	17.9%	10.1%	6.1%	194.9%	7.5%
Asset alloc.	Asset alloc.	USD EMD sov.	Asset alloc.	LATAM equity	Global high yield	LCL LATAM sov.	Global IG	EM Asia equity	USD LATAM sov.	Global high yield	Asset alloc.	Global high yield	USD EMD sov.	Global high yield	Global high yield	USD EMD sov.	USD EMD sov.
18.4%	16.5%	-12.0%	41.9%	14.9%	3.1%	17.3%	1.8%	5.3%	-2.0%	14.3%	14.8%	-4.1%	15.0%	7.0%	2.1%	173.3%	6.9%
LCL LATAM sov.	DM equity	USD LATAM sov.	LCL LATAM sov.	Global high yield	LCL LATAM sov.	DM equity	Cash	Global IG	Global high yield	USD LATAM sov.	LCL LATAM sov.	USD EMD sov.	USD LATAM sov.	USD EMD sov.	Cash	USD LATAM sov.	USD LATAM sov.
17.4%	9.6%	-13.5%	34.3%	14.8%	1.6%	16.5%	0.0%	2.5%	-2.7%	13.5%	13.2%	-4.3%	14.1%	5.3%	0.0%	161.0%	6.6%
Global high yield	USD EMD sov.	Asset alloc.	DM equity	USD LATAM sov.	Asset alloc.	USD LATAM sov.	Asset alloc.	Cash	Global IG	USD EMD sov.	USD LATAM sov.	Asset alloc.	Asset alloc.	USD LATAM sov.	USD EMD sov.	Asset alloc.	Asset alloc.
13.7%	6.2%	-19.8%	30.8%	13.3%	0.4%	16.0%	-3.7%	0.0%	-3.8%	10.2%	11.4%	-4.5%	14.1%	3.3%	-0.7%	144.9%	6.2%
USD LATAM sov.	Global IG	Global high yield	USD EMD sov.	DM equity	Cash	Asset alloc.	USD EMD sov.	Global high yield	EM Asia equity	DM equity	Global high yield	USD LATAM sov.	LCL LATAM sov.	Asset alloc.	Asset alloc.	LCL LATAM sov.	LCL LATAM sov.
12.7%	6.1%	-26.9%	29.8%	12.3%	0.1%	15.6%	-5.3%	0.0%	-9.5%	8.2%	10.4%	-5.8%	12.7%	3.0%	-0.8%	135.0%	5.9%
USD EMD sov.	USD LATAM sov.	DM equity	USD LATAM sov.	USD EMD sov.	DM equity	Global IG	USD LATAM sov.	Asset alloc.	Asset alloc.	EM Asia equity	USD EMD sov.	LATAM equity	Global high yield	Cash	Global IG	Global IG	Global IG
9.9%	4.9%	-40.3%	25.8%	12.2%	-5.0%	12.5%	-7.7%	-0.6%	-12.9%	6.5%	10.3%	-6.2%	12.6%	0.5%	-1.0%	118.3%	5.3%
Global IG	Cash	LATAM equity	Global IG	Global IG	EM Asia equity	LATAM equity	LCL LATAM sov.	LCL LATAM sov.	LCL LATAM sov.	Global IG	Global IG	DM equity	Global IG	LCL LATAM sov.	USD LATAM sov.	LATAM equity	LATAM equity
8.3%	4.8%	-51.3%	23.7%	7.0%	-17.2%	8.9%	-8.2%	-4.2%	-21.7%	6.0%	9.3%	-8.2%	11.8%	0.3%	-2.3%	79.4%	4.0%
Cash	Global high yield	EM Asia equity	Cash	Cash	LATAM equity	Cash	LATAM equity	LATAM equity	LATAM equity	Cash	Cash	EM Asia equity	Cash	LATAM equity	LCL LATAM sov.	Cash	Cash
4.8%	3.2%	-52.8%	0.1%	0.1%	-19.1%	0.1%	-13.2%	-12.0%	-30.8%	0.3%	0.8%	-15.2%	2.2%	-13.5%	-6.2%	18.8%	1.2%

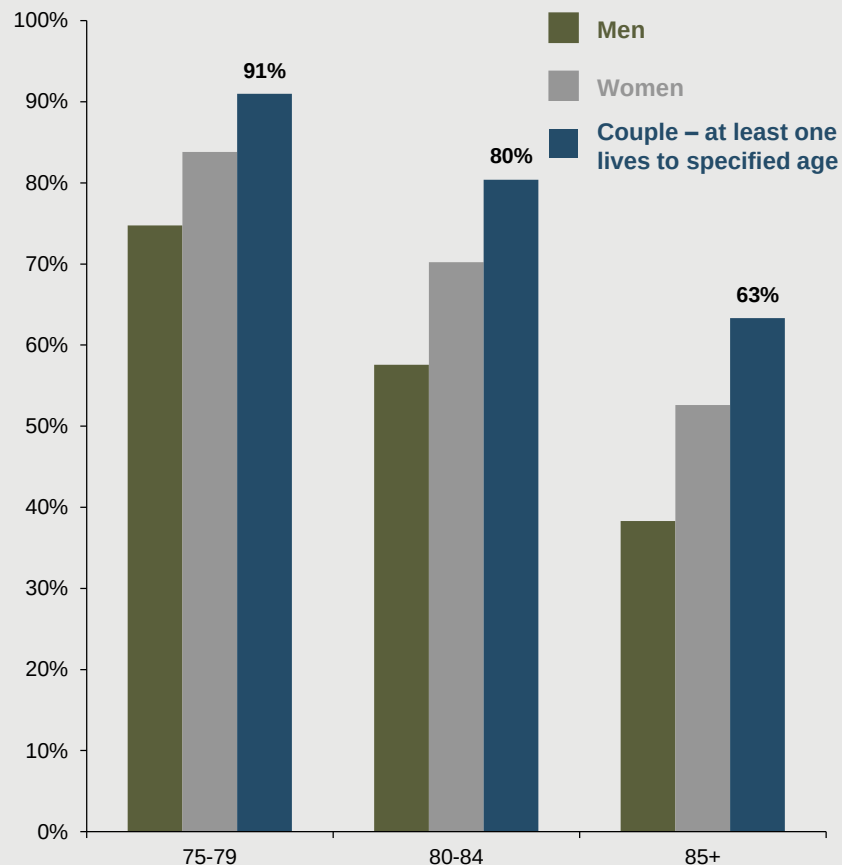
Source: Bloomberg/Barclays, FactSet, J.P. Morgan Global Economic Research, MSCI, J.P. Morgan Asset Management.

LATAM equity, EM Asia equity, DM equity, Global high yield, Global IG (investment grade), LCL LATAM sov. (sovereigns), USD LATAM sov., USD EMD sov. and cash are MSCI Latin America, MSCI EM Asia, MSCI The World, Bloomberg Barclays Global High Yield, Bloomberg Barclays Global Credit – Corporate – Investment Grade, GBI-EM Global Diversified Latin Region subindex (US\$), EMBIG Diversified Latin Region subindex, EMBIG Diversified index and Bloomberg Barclays 1-3m Treasury, respectively. The "Asset Allocation" portfolio assumes the following weights: 10% in LATAM equity, 5% in EM Asia equity, 5% in DM equity, 10% in global high yield, 5% in global investment grade, 40% in LCL LATAM sovereigns, 15% in USD LATAM sovereigns, 5% in USD EMD sovereigns and 5% cash. All asset class returns are unhedged and shown in USD.

Past performance is not indicative of future returns. *Guide to the Markets – Latin America*. Data are as of June 30, 2021.

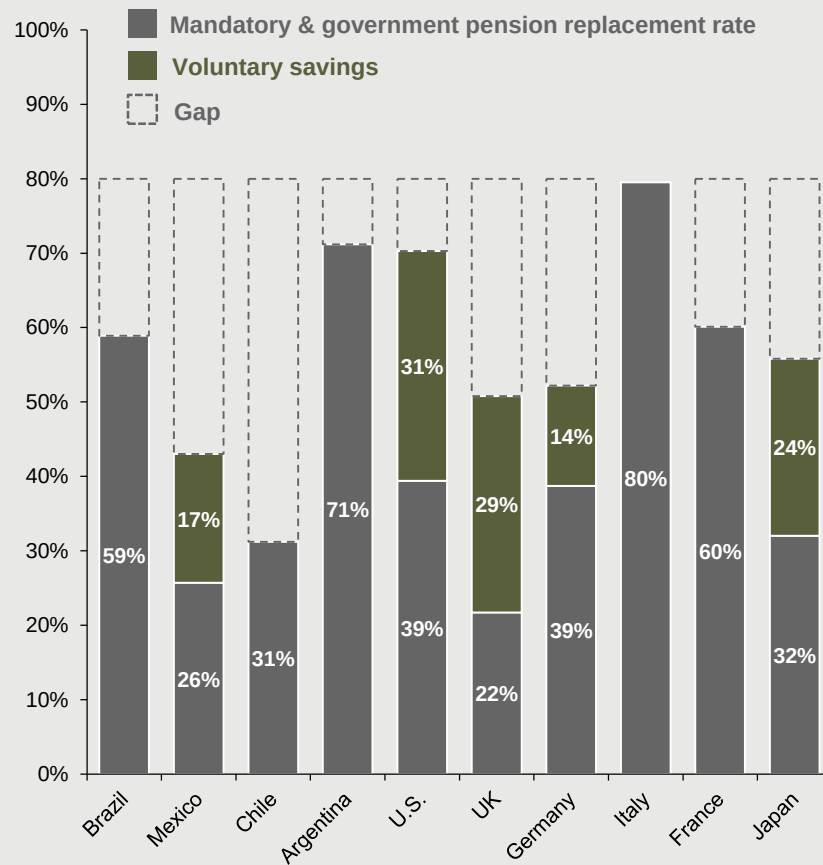
Probability of reaching certain ages

Persons aged 65-69, by gender, and combined couple



Mandatory and voluntary savings by country

Contribution to pre-retirement income replacement goal of 80%



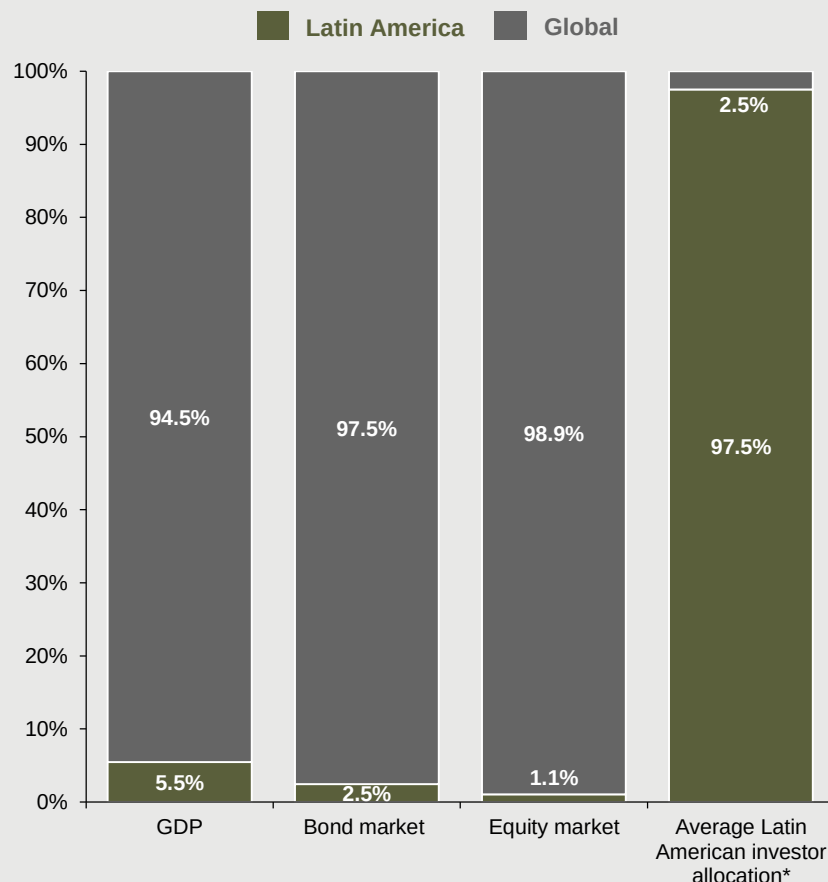
Source: J.P. Morgan Asset Management; (Left) WHO Global Health Observatory data, life expectancy tables (2019); (Right) OECD Pensions at a Glance 2019.

Life expectancy rates are based on Brazilian life expectancy tables. Mandatory and government pension replacement rate is the total public pension or forced savings in defined contribution plans; Voluntary savings is defined contribution savings by employers and employees; Gap is the savings shortfall assuming a desired pre-retirement income replacement rate of 80%. Pre-retirement income is calculated for the average earning worker who is assumed to have worked a full career, defined as entering the labor market at age 20 and working until the normal pension age within each country.

Guide to the Markets – Latin America. Data are as of June 30, 2021.

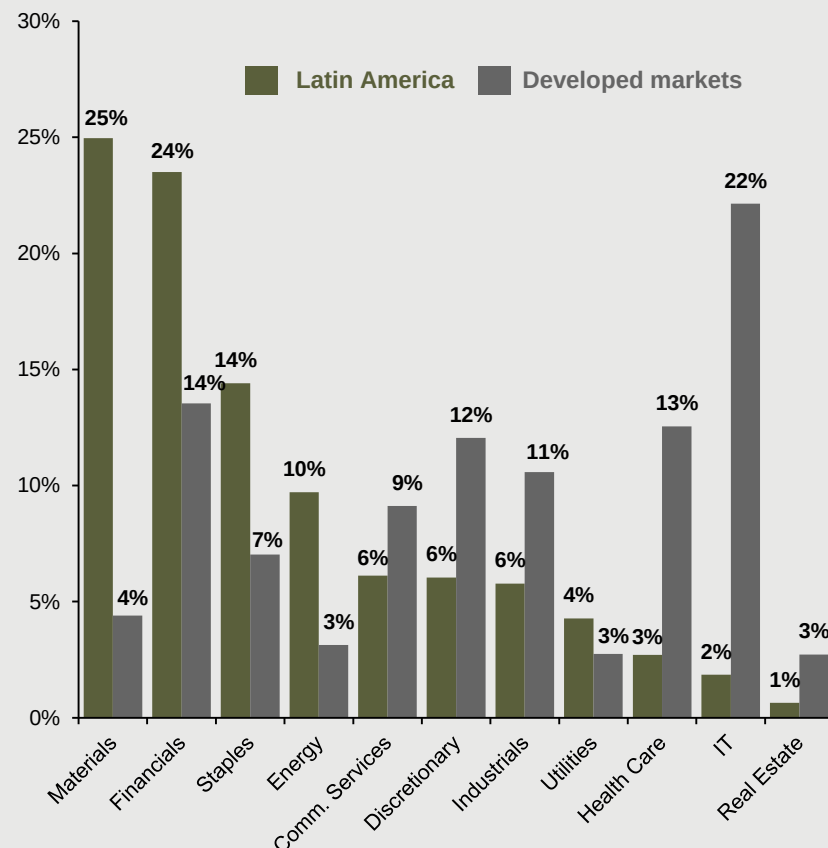
Investment universe & Latin American investors

Percentage of total net assets



Sector exposure

% of MSCI The World Index and MSCI Latin America

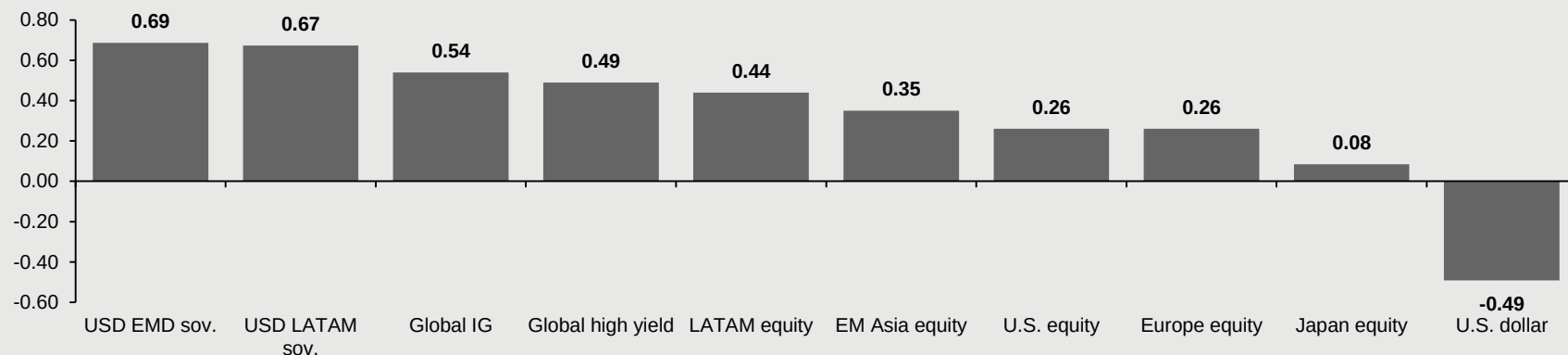


Source: MSCI, J.P. Morgan Asset Management; (Left) BIS, Cerulli Associates, IMF.

Latin American figures include Brazil, Chile, Colombia, Mexico and Peru. Share of global GDP is based on purchasing power parity (PPP) as calculated by the IMF for 2020. Share of global market capitalization is based on float-adjusted MSCI data in U.S. dollar terms. Share of global bond market is based on BIS individual country total debt outstanding in U.S. dollar terms and is as of 3Q20. *Average investor allocation is an AUM weighted average of mutual fund international exposure in each country found in Cerulli Associate's 2014 report "Latin American Distribution Dynamics 2014: Entry Points to Emergent Economies." Percentages may not sum to 100% due to rounding. *Guide to the Markets – Latin America*. Data are as of June 30, 2021.

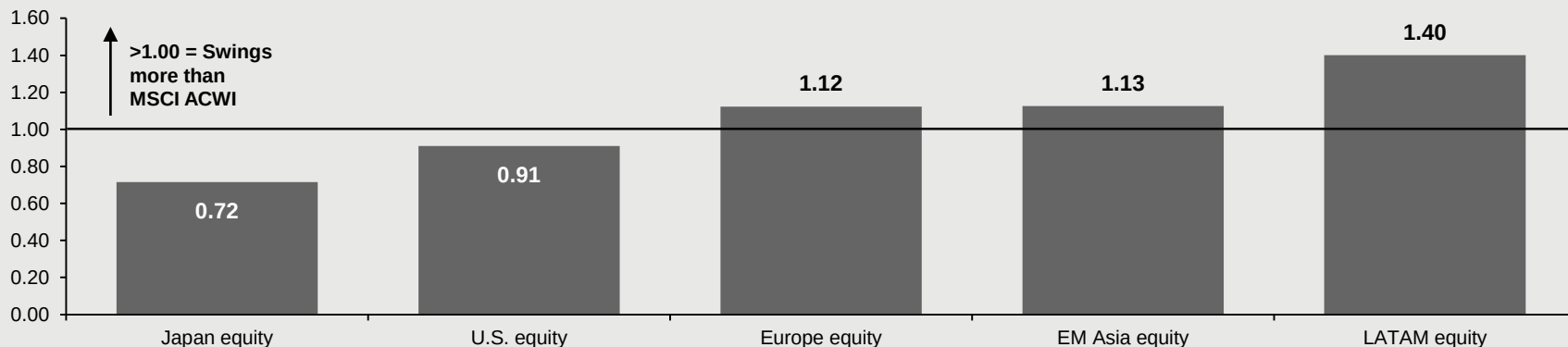
Correlation between Latin America local sovereign bonds vs. other asset classes

Local currency, monthly total returns



Beta of regional equities to global equities (MSCI ACWI)

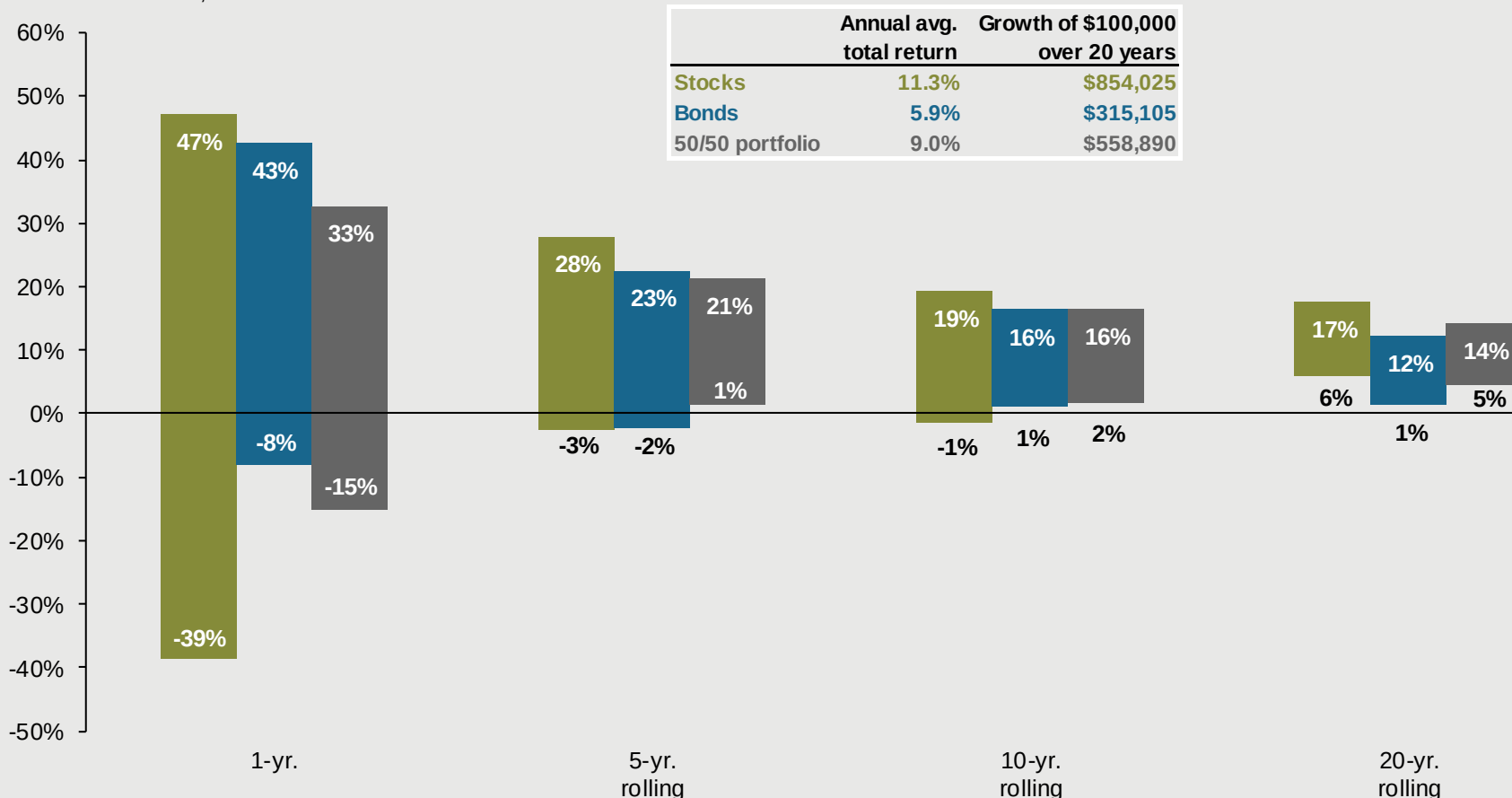
U.S. dollars, monthly price returns



Source: Bloomberg/Barclays, FactSet, J.P. Morgan Global Economic Research, MSCI, Standard & Poor's, J.P. Morgan Asset Management. LCL LATAM sov. (sovereigns), USD LATAM sov., USD EMD sov., LATAM equity, EM Asia equity, U.S. equity, Europe equity, Japan equity, Global high yield, Global IG (investment grade) and U.S. dollar are: GBI-EM Global Diversified Latin Region subindex, EMBIG Diversified Latin Region subindex, EMBIG Diversified index, MSCI Latin America, MSCI EM Asia, S&P 500, MSCI Europe, MSCI Japan, Bloomberg Barclays Global High Yield, Bloomberg Barclays Global Credit – Corporate – Investment Grade and J.P. Morgan Emerging Market Currency index, respectively. Correlations are based on monthly total return data in local currency terms for the period 12/31/05 – 6/30/21. Beta calculations are based on monthly price returns in U.S. dollars for the period 1/31/2001 – 6/30/2021. Guide to the Markets – Latin America. Data are as of June 30, 2021.

Range of stock, bond and blended total returns

Annual total returns, 1950-2020

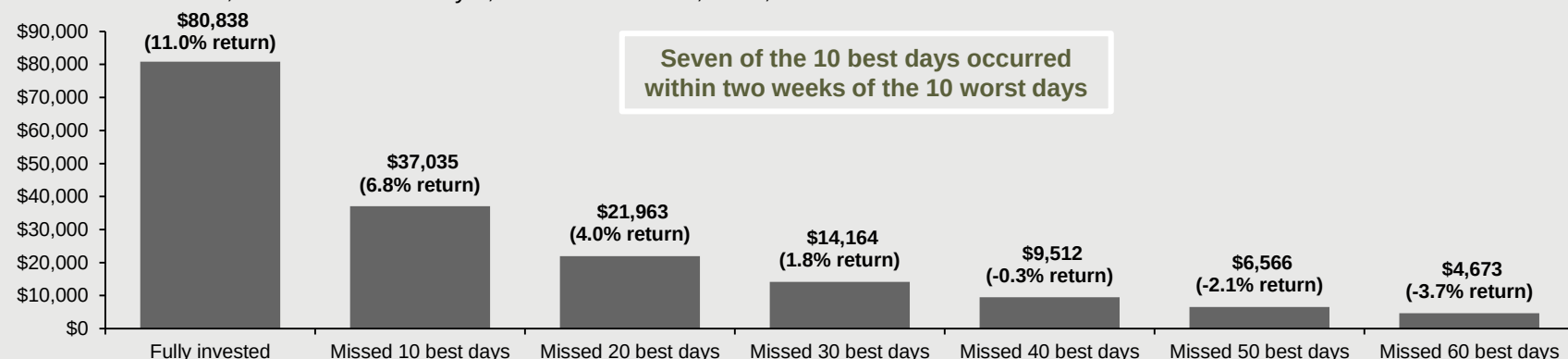


Source: Barclays, Bloomberg, FactSet, Federal Reserve, Robert Shiller, Strategas/Ibbotson, J.P. Morgan Asset Management. Returns shown are based on calendar year returns from 1950 to 2020. Stocks represent the S&P 500 Shiller Composite and Bonds represent Strategas/Ibbotson for periods from 1950 to 2010 and Bloomberg Barclays Aggregate thereafter. Growth of \$100,000 is based on annual average total returns from 1950 to 2020.

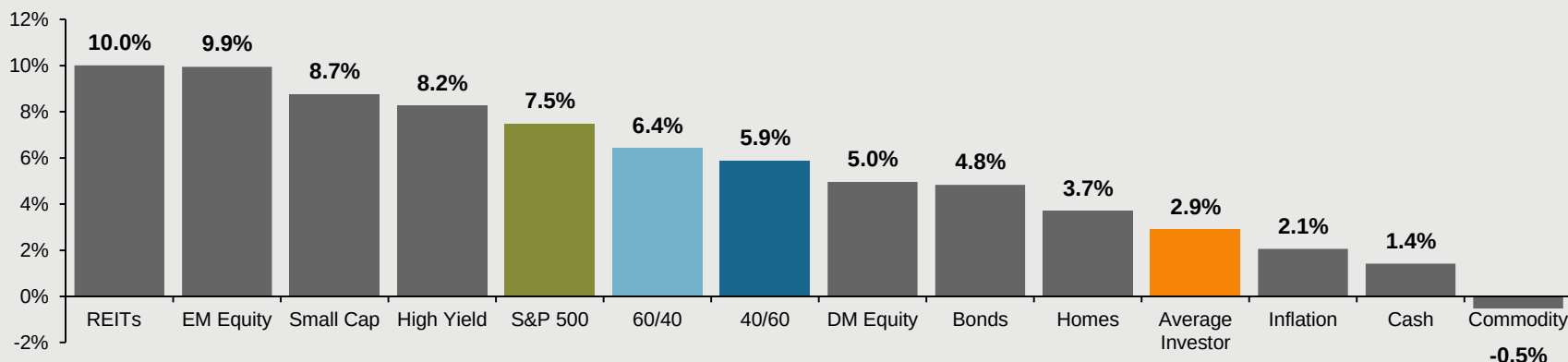
Guide to the Markets – Latin America. Data are as of June 30, 2021.

Returns of S&P 500

Performance of \$10,000 between January 1, 2001 and June 30, 2021, annualized total returns



20-year annualized returns by U.S. asset class (2001-2020)



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management; (Bottom) Barclays, Bloomberg, Dalbar Inc, MSCI, NAREIT, Russell. Indices used are as follows: REITs: NAREIT Equity REIT Index, Small Cap: Russell 2000, EM Equity: MSCI EM, DM Equity: MSCI EAFE, Commodity: Bloomberg Commodity Index, High Yield: Bloomberg Barclays Global HY Index, Bonds: Bloomberg Barclays U.S. Aggregate Index, Homes: median sale price of existing single-family homes, Cash: Bloomberg Barclays 1-3m Treasury, Inflation: CPI. 60/40: A balanced portfolio with 60% invested in S&P 500 Index and 40% invested in high-quality U.S. fixed income, represented by the Bloomberg Barclays U.S. Aggregate Index. The portfolio is rebalanced annually. Average asset allocation investor return is based on an analysis by Dalbar Inc., which utilizes the net of aggregate mutual fund sales, redemptions and exchanges each month as a measure of investor behavior. Guide to the Markets – Latin America. Data are as of June 30, 2021.

All indexes are unmanaged and an individual cannot invest directly in an index. Index returns do not include fees or expenses.

Equities:

The **Dow Jones Industrial Average** is a price-weighted average of 30 actively traded blue-chip U.S. stocks.

The **MSCI ACWI (All Country World Index)** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets.

The **MSCI EAFE Index (Europe, Australasia, Far East)** is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada.

The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

The **MSCI Europe Index** is a free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe.

The **MSCI Pacific Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the Pacific region.

The **Russell 1000 Index®** measures the performance of the 1,000 largest companies in the Russell 3000.

The **Russell 1000 Growth Index®** measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 1000 Value Index®** measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 2000 Index®** measures the performance of the 2,000 smallest companies in the Russell 3000 Index.

The **Russell 2000 Growth Index®** measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 2000 Value Index®** measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 3000 Index®** measures the performance of the 3,000 largest U.S. companies based on total market capitalization.

The **Russell Midcap Index®** measures the performance of the 800 smallest companies in the Russell 1000 Index.

The **Russell Midcap Growth Index®** measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The stocks are also members of the Russell 1000 Growth index.

The **Russell Midcap Value Index®** measures the performance of those Russell Midcap companies with lower price-to-book ratios and lower forecasted growth values. The stocks are also members of the Russell 1000 Value index.

The **S&P 500 Index** is widely regarded as the best single gauge of the U.S. equities market. The index includes a representative sample of 500 leading companies in leading industries of the U.S. economy. The **S&P 500 Index** focuses on the large-cap segment of the market; however, since it includes a significant portion of the total value of the market, it also represents the market.

Fixed income:

The **Bloomberg Barclays 1-3 Month U.S. Treasury Bill Index** includes all publicly issued zero-coupon US Treasury Bills that have a remaining maturity of less than 3 months and more than 1 month, are rated investment grade, and have \$250 million or more of outstanding face value. In addition, the securities must be denominated in U.S. dollars and must be fixed rate and non convertible.

The **Bloomberg Barclays Global High Yield Index** is a multi-currency flagship measure of the global high yield debt market. The index represents the union of the US High Yield, the Pan-European High Yield, and Emerging Markets (EM) Hard Currency High Yield Indices. The high yield and emerging markets sub-components are mutually exclusive. Until January 1, 2011, the index also included CMBS high yield securities.

The **Bloomberg Barclays Municipal Index** consists of a broad selection of investment-grade general obligation and revenue bonds of maturities ranging from one year to 30 years. It is an unmanaged index representative of the tax-exempt bond market.

The **Bloomberg Barclays US Dollar Floating Rate Note (FRN) Index** provides a measure of the U.S. dollar denominated floating rate note market.

The **Bloomberg Barclays US Corporate Investment Grade Index** is an unmanaged index consisting of publicly issued US Corporate and specified foreign debentures and secured notes that are rated investment grade (Baa3/BBB or higher) by at least two ratings agencies, have at least one year to final maturity and have at least \$250 million par amount outstanding. To qualify, bonds must be SEC-registered.

The **Bloomberg Barclays US High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.

The **Bloomberg Barclays US Mortgage Backed Securities Index** is an unmanaged index that measures the performance of investment grade fixed-rate mortgage backed pass-through securities of GNMA, FNMA and FHLMC.

The **Bloomberg Barclays US TIPS Index** consists of Inflation-Protection securities issued by the U.S. Treasury.

The **J.P. Morgan Emerging Market Bond Global Index (EMBI)** includes U.S. dollar denominated Brady bonds, Eurobonds, traded loans and local market debt instruments issued by sovereign and quasi-sovereign entities.

The **J.P. Morgan Domestic High Yield Index** is designed to mirror the investable universe of the U.S. dollar domestic high yield corporate debt market.

The **J.P. Morgan Corporate Emerging Markets Bond Index Broad Diversified (CEMBI Broad Diversified)** is an expansion of the **J.P. Morgan Corporate Emerging Markets Bond Index (CEMBI)**. The CEMBI is a market capitalization weighted index consisting of U.S. dollar denominated emerging market corporate bonds.

The **J.P. Morgan Emerging Markets Bond Index Global Diversified (EMBI Global Diversified)** tracks total returns for U.S. dollar-denominated debt instruments issued by emerging market sovereign and quasi-sovereign entities: Brady bonds, loans, Eurobonds. The index limits the exposure of some of the larger countries.

The **J.P. Morgan GBI EM Global Diversified** tracks the performance of local currency debt issued by emerging market governments, whose debt is accessible by most of the international investor base.

The **U.S. Treasury Index** is a component of the U.S. Government index.

Other asset classes:

The **Alerian MLP Index** is a composite of the 50 most prominent energy Master Limited Partnerships (MLPs) that provide investors with an unbiased, comprehensive benchmark for the asset class.

The **Bloomberg Commodity Index** and related sub-indices are composed of futures contracts on physical commodities and represents twenty two separate commodities traded on U.S. exchanges, with the exception of aluminum, nickel, and zinc

The **Cambridge Associates U.S. Global Buyout and Growth Index®** is based on data compiled from 1,768 global (U.S. & ex –U.S.) buyout and growth equity funds, including fully liquidated partnerships, formed between 1986 and 2013.

The **CS/Tremont Hedge Fund Index** is compiled by Credit Suisse Tremont Index, LLC. It is an asset-weighted hedge fund index and includes only funds, as opposed to separate accounts. The Index uses the Credit Suisse/Tremont database, which tracks over 4500 funds, and consists only of funds with a minimum of US\$50 million under management, a 12-month track record, and audited financial statements. It is calculated and rebalanced on a monthly basis, and shown net of all performance fees and expenses. It is the exclusive property of Credit Suisse Tremont Index, LLC.

The **HFRI Monthly Indices (HFRI)** are equally weighted performance indexes, utilized by numerous hedge fund managers as a benchmark for their own hedge funds. The HFRI are broken down into 4 main strategies, each with multiple sub strategies. All single-manager HFRI Index constituents are included in the HFRI Fund Weighted Composite, which accounts for over 2200 funds listed on the internal HFR Database.

The **NAREIT EQUITY REIT Index** is designed to provide the most comprehensive assessment of overall industry performance, and includes all tax-qualified real estate investment trusts (REITs) that are listed on the NYSE, the American Stock Exchange or the NASDAQ National Market List.

The **NFI-ODCE**, short for NCREIF Fund Index -Open End Diversified Core Equity, is an index of investment returns reporting on both a historical and current basis the results of 33 open-end commingled funds pursuing a core investment strategy, some of which have performance histories dating back to the 1970s. The NFI-ODCE Index is capitalization-weighted and is reported gross of fees. Measurement is time-weighted.

Definitions:

Investing in **alternative assets** involves higher risks than traditional investments and is suitable only for sophisticated investors. Alternative investments involve greater risks than traditional investments and should not be deemed a complete investment program. They are not tax efficient and an investor should consult with his/her tax advisor prior to investing. Alternative investments have higher fees than traditional investments and they may also be highly leveraged and engage in speculative investment techniques, which can magnify the potential for investment loss or gain. The value of the investment may fall as well as rise and investors may get back less than they invested.

Bonds are subject to interest rate risks. Bond prices generally fall when interest rates rise.

Investments in **commodities** may have greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Use of leveraged commodity-linked derivatives creates an opportunity for increased return but, at the same time, creates the possibility for greater loss.

Derivatives may be riskier than other types of investments because they may be more sensitive to changes in economic or market conditions than other types of investments and could result in losses that significantly exceed the original investment. The use of derivatives may not be successful, resulting in investment losses, and the cost of such strategies may reduce investment returns.

Distressed Restructuring Strategies employ an investment process focused on corporate fixed income instruments, primarily on corporate credit instruments of companies trading at significant discounts to their value at issuance or obliged (par value) at maturity as a result of either formal bankruptcy proceeding or financial market perception of near term proceedings.

Investments in **emerging markets** can be more volatile. The normal risks of investing in foreign countries are heightened when investing in emerging markets. In addition, the small size of securities markets and the low trading volume may lead to a lack of liquidity, which leads to increased volatility. Also, emerging markets may not provide adequate legal protection for private or foreign investment or private property.

The price of **equity** securities may rise, or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors or industries, or the securities market as a whole, such as changes in economic or political conditions. Equity securities are subject to "stock market risk" meaning that stock prices in general may decline over short or extended periods of time.

Equity market neutral strategies employ sophisticated quantitative techniques of analyzing price data to ascertain information about future price movement and relationships between securities, select securities for purchase and sale. Equity Market Neutral Strategies typically maintain characteristic net equity market exposure no greater than 10% long or short.

Global macro strategies trade a broad range of strategies in which the investment process is predicated on movements in underlying economic variables and the impact these have on equity, fixed income, hard currency and commodity markets.

International investing involves a greater degree of risk and increased volatility. Changes in currency exchange rates and differences in accounting and taxation policies outside the U.S. can raise or lower returns. Some overseas markets may not be as politically and economically stable as the United States and other nations.

There is no guarantee that the use of **long and short positions** will succeed in limiting an investor's exposure to domestic stock market movements, capitalization, sector swings or other risk factors. Using long and short selling strategies may have higher portfolio turnover rates. Short selling involves certain risks, including additional costs associated with covering short positions and a possibility of unlimited loss on certain short sale positions.

Merger arbitrage strategies which employ an investment process primarily focused on opportunities in equity and equity related instruments of companies which are currently engaged in a corporate transaction.

Mid-capitalization investing typically carries more risk than investing in well-established "blue-chip" companies. Historically, mid-cap companies' stock has experienced a greater degree of market volatility than the average stock.

Price to forward earnings is a measure of the price-to-earnings ratio (P/E) using forecasted earnings. **Price to book value** compares a stock's market value to its book value. **Price to cash flow** is a measure of the market's expectations of a firm's future financial health. **Price to dividends** is the ratio of the price of a share on a stock exchange to the dividends per share paid in the previous year, used as a measure of a company's potential as an investment.

Real estate investments may be subject to a higher degree of market risk because of concentration in a specific industry, sector or geographical sector. Real estate investments may be subject to risks including, but not limited to, declines in the value of real estate, risks related to general and economic conditions, changes in the value of the underlying property owned by the trust and defaults by borrower.

Relative Value Strategies maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities.

Small-capitalization investing typically carries more risk than investing in well-established "blue-chip" companies since smaller companies generally have a higher risk of failure. Historically, smaller companies' stock has experienced a greater degree of market volatility than the average stock.

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Unless otherwise stated, all data are as of June 30, 2021 or most recently available.

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